

5 closed



GOVERNMENT INFORMATION CENTER
SAN FRANCISCO PUBLIC LIBRARY
100 LARKIN STREET
SAN FRANCISCO, CA 94102

SAN FRANCISCO
PUBLIC LIBRARY

REFERENCE
BOOK

Not to be taken from the Library

SAN FRANCISCO PUBLIC LIBRARY



3 1223 03426 3955



Digitized by the Internet Archive
in 2013

<http://archive.org/details/annualmboperform198586san>

125
13 KES-86
Office of the Mayor
SAN FRANCISCO



DIANNE FEINSTEIN

Annual Performance Reviews from
Mayor Dianne Feinstein,
to
City Commissions, Boards and Departments
regarding
Management-By-Objectives Performance
for the 1985-86 Fiscal Year

March 1987



March 4, 1987

The Honorable Board of Supervisors
City Hall, Room 235
San Francisco, California 94102

Dear Ladies and Gentlemen:

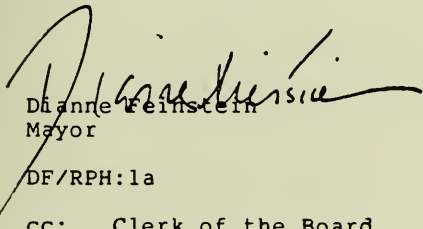
Over the past three months, letters have been sent to all City departments with my assessment of their performance in the fiscal year 1985-86, based upon the specific objectives set under our Management-By-Objectives (MBO) system.

Copies of each letter have been sent to each of you and to budget analyst as they have been issued.

This document is meant to provide a bound compendium with all MBO analyses so that you might more easily review progress made in achieving the key goals of department activities.

We intend to continue to use the MBO system as a primary management tool to set expectations and track progress in each City department. Please refer to the quarterly reports, my annual letters, and the performance information in my annual recommended budget as part of your oversight activities. If you have any questions, or wish to make suggestions, please feel free to contact me.

Sincerely yours,


Dianne Feinstein
Mayor

DF/RPH:la

cc: Clerk of the Board
Budget Analyst

1985-86 MBO LETTERS

(Alphabetically by Department)

Academy of Sciences	3
Adult Probation	5
Airports Commission	8
Art Commission	11
Asian Art Commission	13
Assessor	15
City Attorney	18
City Planning Commission	20
Civil Service Commission	23
Commission of Aging	27
Commission on Status of Women	29
Controller	31
County Agriculture	33
Coroner	35
District Attorney	37
Electricity	42
Fine Arts Board of Trustees	44
Fire Commission	46
Human Rights Commission	48
Juvenile Court	50
Parking Authority	53
Permit Appeals Board	55
Police Commission	56
Port Commission	71
Public Administrator/Guardian	78
Public Defender	81
Public Health	83
Health Service Systems	109
Public Library Commission	113
Public Utilities Commission	117
Public Works	127
Purchaser	133
Real Estate	140
Recreation and Park Commission	142
Registrar/Recorder	150
Residential Rent Stabilization & Arbitration Board	155
Retirement System Board	157
Sheriff	164
Social Services Commission	168
Treasurer-Tax Collector	175
War Memorial Board	178





December 12, 1986

Frank H. Talbot, Ph.D.
Executive Director
California Academy of Sciences
Golden Gate Park
San Francisco, CA 94118

Dear Dr. Talbot:

Your 1985-86 Management by Objectives performance report has been reviewed by me, and I am pleased to acknowledge another successful year for the Academy of Sciences. The excellence of your program is reflected in the results of your performance, and I would like to share some observations with you.

- o Attendance increased by 7%, from 1,472,172 in 1984-85 to 1,581,837 in 1985-86. This is especially remarkable in light of the fact that your admissions fees were raised by as much as 50% starting on July 1, 1985.
- o You were able to keep your schedule of producing 20 aquarium exhibits.
- o You met your objective of creating three major Academy exhibits. These exhibits, Larsen: The Far Side of Science, Dinofest and Ban Chiang: Discovery of a Lost Bronze Period, were very successful and contributed to the increase of visitors.
- o Ten temporary Academy exhibits were presented as planned. Included were the very popular California Gold and Illustrations of Wild Life by Dugald Stermer. The California Gold exhibit is part of the California Mineralogy Collection that is under your temporary care. Until a permanent home for this collection is built in Mariposa, I hope you will continue to present mineralogy exhibitions.

Your staff and the Board of Trustees have accomplished much to make the California Academy of Sciences one of the finest cultural institutions in the state. You have begun to implement the first phase of your master plan by developing the detailed design for two permanent exhibit halls, which are now under construction. Special mention should go to Trustees Peter McBean and Rudolph Peterson for their contributions to the construction of the facility to house Life Through Time: the Evidence of Evolution.

Frank Talbot, Ph.D.
Page 2

The second construction will involve renovating the North American Hall for the Wild California exhibit. Although the City has provided \$1,300,000 to this renovation project, it could not go forward without the generous contribution of \$1,000,000 from the Chairman of your Board of Trustees, Mr. Jeffery Meyer. It is fitting that when this hall is dedicated, it will be renamed the Meyer Hall.

Once again the Academy has given the City a banner year, and for the first time attracted more than one and a half million visitors. Your accomplishments benefit all San Franciscans and I thank you for doing a consistently fine job.

Sincerely yours,

Dianne Feinstein
Mayor

DF/BL:az



November 28, 1986

Arlene Sauser
Chief Adult Probation Officer
850 Bryant Street
San Francisco, CA 94103

Dear Mrs. Sauser:

Having completed the annual review of Adult Probation's Management-By-Objections (MBO) Performance Report for Fiscal Year 1985-86, I would like to share some of my observations with you.

- * The number of individuals placed on probation by the Courts was up by 1 percent during the fiscal year. On July 1, 1985 there was an active caseload of 8,897 compared to an active caseload of 8,959 in July 1986. The Department experienced a 6 percent increase in caseload during this same period for the prior fiscal year. The successful completion rate for these probationers was 65.4 percent up from 65 percent in 1984-85. This performance has remained constant for the past three years.
- * The Department did not achieve its goal of providing the Courts with timely, accurate and complete reports. The overall performance of late reports to Court was 10.9 percent. Actual performance varied from less than 1 percent in the second quarter to over 18 percent in the third and fourth quarters. The objective had been to maintain at 2.5 percent or less the number of presentence reports which fail to reach the Courts at least two working days before sentencing. In the past two years, more than 99 percent of all reports reached the Court within two days of sentencing.

I understand that vacancies, high absenteeism and downtime on equipment were the primary causes for the slippage in performance. I am pleased to hear that all vacancies are now filled and that you are now meeting your objective. The addition of the recently approved Wang system should greatly enhance your efforts in this area.

- * Performance in the Drinking Driver Program continues to be exceptional. Of the 1,234 cases supervised during the year, 98.8 percent of these cases were considered successful with only 1.2 percent referred back to the Courts. This performance is consistent with last year's performance of 97.2 percent successful completions.

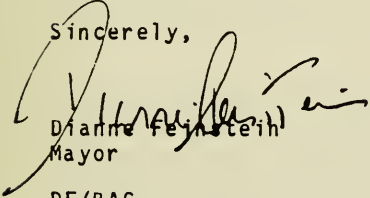
November 28, 1986

- * A total of \$459,917 was collected and deposited in the General Fund. The objective had been to increase collections from fines, penalties and the cost of probation by over 15 percent from the previous year. I commend you and your staff for having exceeded this goal over the past three years. While I continue to expect a major effort to increase collection, I would suggest you now re-examine your progress over the past four years and establish a new, realistic MBO target.
- * Performance in the Community Service Program was up by 34 percent from 92,617 hours of public service work performed to 133,198. The successful completion rate for these participants was 63 percent up from 53 percent in the previous year. I understand that the reduction in restitution paid out to victims of crime from \$16,901 to \$10,906 is due to the increase in psychiatric treatment ordered by the Courts rather than restitution.

In response to the overcrowding problems in the San Francisco County Jail System, an Accelerated Investigation Program was initiated within your Department. According to your staff, implementation of this program, where 324 presentence reports were prepared within 21 days of plea rather than the normal 28 days resulted in a savings of 2,268 custody days and a potential savings of \$108,000 in custody cost. This is very encouraging! Continuation of this program is crucial given the current overcrowding problems we are experiencing in the jails.

Let me commend you and your staff and ask that you continue to make every effort to meet the objectives you have established for your Department.

Sincerely,



Dianne Feinstein
Mayor

DF/BAC



October 22, 1986

Honorable Morris Bernstein, President
and Members
Airports Commission
San Francisco International Airport
San Francisco, California 94128

Dear Commissioners:

Congratulations on another successful year as measured by the Commission's FY 1985-86 Management-by-Objectives (MBO) Performance Report. It is gratifying to see a continuation of a tradition of outstanding management, increased revenues and decreased costs.

In an effort make this review brief, I am highlighting only a few areas. Successes have been impressive. I start with a review of the results of the overall Annual Passenger Survey rating of 4.1 out of a possible 5.0 points. This is the second year that a 4.1 average was achieved, following the previous years when the Airport fell short of its 4.0 point target. It should be noted that this has been another historic year with an unblemished emergency preparedness record.

You are also to be commended for your diligence in addressing the problem of aircraft noise. The Commission has been firm in its decision to deny access to aircraft that exceed your noise standards, and we have seen another year in which the number of residential units seriously affected by noise was reduced to 5,733, as measured by the CNEL noise contours. This exceeds your 1987 target by more than 1750 homes. Congratulations!

In the performance categories of Cost Control, Energy Conservation, Physical Plant and Equipment, the airport's performance far exceeded targets.

Congratulations on aggressively pursuing and exceeding your targets for affirmative action. In the area of concession leases you have exceeded your targets for MBE/WBE participation and are setting an example for airports across the country. I recognize the difficulties in meeting MBE/WBE targets for construction and professional service contracts due to the lack of eligible contractors but encourage you to pursue it energetically. Your achievement of this target will make your overall affirmative action program a complete success.

Art exhibits at the airport continue to be a major attraction. This year's "CAFE" exhibit was particularly popular among the traveling public, judging from the mail I received.

Because of your track record in mounting exhibitions, I am asking you to revise your target for performance in this area to at least 40 shows annually.

Congratulations on a very successful year of art exhibitions! This has truly become a sheer joy for the traveling public.

I know that you are aware of my concern that Workers Compensation claims be reduced, and steps are being taken to do that. Careful scrutiny of claims and proper administration of this program will assure justified compensation and reduce abuses.

Please incorporate this as a part of your on-going M.B.O. system and develop appropriate targets with my office.

Last year I noted that administrative, operation and maintenance expenses had increased and asked you to pay careful attention to potential future cost problems. I am pleased to see that this year's expenses were reduced by 3% from \$3.31 to \$3.18 in constant 1980 dollars. I will continue to watch this and commend you for your diligence in keeping these costs low. I am exceptionally pleased to know that the Airport's bond rating was upgraded to A+ this year and maintained your A1 rating from Moody's.

Let me turn to some of the areas that should receive further attention this year, beginning with improving ratings in the Annual Passenger Survey for food/beverage concessions and for taxis and parking. You have been extremely successful in working with major concessions to create eating establishments that are individual, colorful and offer a variety of foods.

Please examine the results of the survey further to identify areas where improvements can be made.

I recognize that the past few years have been a transition for ground transportation, and I trust that the new traffic management plan that goes into effect in November will establish a system that flows as smoothly as possible. Some further attention should also be given to signage. I am pleased to know that taxis are now better organized, with a clear stacking order and access to public facilities. Other modifications include changes in the Airporter contract and establishing well-defined pick-up areas and a area for parking area for shuttle busses to avoid unnecessary circling. Judging from the survey and mail that I receive, further training for traffic control officers may also be required to improve your ratings in this area.

Revenue generation is critical, and I note that your target was changed this year. This is the first year that your original target of a 5% increase in constant dollars was not met and you proposed a target of a 5% increase in actual dollars. I understand that as the airport expansion program reaches completion, we cannot expect major increases in this revenue as we have in the past, however, I expect revenue generation to remain a top priority.

Because the Airport's annual payment to the City is based on concession revenues, please prepare projections of this income for the next five years, review them with my staff, and develop a new target based on constant 1980 dollars as well as current dollars.

Your target for response time to emergencies was revised downward last year from 3.0 minutes to 2.0 minutes. This was due to a track record of improved performance. In reporting performance for 1985-86, responses were broken into different categories, and I am pleased to see that you are meeting your targets, and I hope that you will continue to improve on these new refined targets.

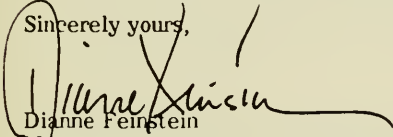
A final area of concern is an increase in the airfield accidents rate which increased from .09 to .11 while your target was a 10% reduction. This is a critical area and we should be getting better at it each year.

Please prepare a report by December 1 that outlines problem areas and steps that are being taken to reduce airfield accidents this year.

In closing I would like to thank the Commissioners for their cooperation in providing free luggage carts in the Customs area. I understand that the Airport staff is prepared to begin this program by December 1. The carts are long overdue, and they will make overseas arrivals in San Francisco an easier and more comfortable transition to our city and this country.

Performance at San Francisco International Airport has been consistently high, and your successes far outweigh problem areas. I have been exceptionally pleased with your response to problems highlighted in previous M.B.O. reviews, such as Preventative Maintenance where you raised your target for FY 1985-86 from 17% to 20% of scheduled work to preventative maintenance and met it. The Director of Airports and his staff are to be commended on work exceptionally well done.

Sincerely yours,



Dianne Feinstein
Mayor

DF:CF

cc: Louis A. Turpen, Director
San Francisco International Airport



December 10, 1986

The Honorable Jacqueline Nemerovski, President
and Members
San Francisco Art Commission
45 Hyde Street, Room 317
San Francisco, California 94102

Dear Commissioners:

Your 1985-86 Management by Objectives performance has been reviewed by me, and I am very pleased that you accomplished your objectives. Your commission is responsible for many activities, from reviewing all civic designs to providing direct services to the arts communities. The fact that you are performing well in all these areas is a credit to you, your staff and volunteers.

The following performance highlights are of special interest:

- o The theme of the 1985-86 Arts Festival was international arts, involving seventeen neighborhood sites in addition to the civic center program. This proved to be successful and 4,147 people participated in the planning and presentation of festival activities. This was double the 2,016 participants involved in the 1985-86 festival. The Commission should consider another theme for the next festival to include as many of our neighborhood arts groups as possible.
- o You reviewed 112 civic designs, the highest number since your participation in the MBO program. Since the number of civic design projects is not controlled by you, I would suggest a change in the performance measure to set a time limit for completion of these reviews.
- o Your staff provided information and referral services to 2,997 individuals and agencies. This represents a 16% increase over the 2,588 of 1984-85.
- o Condition reports on all 63 public monuments were completed, largely due to funding from the National Endowment for the Arts. A new measure for the restoration of these monuments was added in 1985-86. You have started eight of these projects, and I hope you will continue to pursue private funding as you did for the McAllister statue.
- o Performance measures were added in 1985-86 for the number of art loans, artists added to the gallery, roundtable discussions and archival materials provided to local museums. Actual performance in these areas way exceeded targets and I would suggest that you look at the performance record for the first six months of this fiscal year and increase the targets.

The Honorable Jacqueline Nemerovski, President
Page 2

You and your staff have spent much time and effort in making your MBO program a strong management tool, and I commend you for this. Please be assured that my office will be available to assist your staff in making changes that you feel will strengthen your objectives.

Thank you for a job well done.

Sincerely yours,

Dianne Feinstein
Mayor

DF/BL:az

cc: Claire Isaacs



December 15, 1986

The Honorable Warren Faus, President
and Members
Asian Art Commission
Golden Gate Park
San Francisco, CA 94118

Dear Commissioners:

The Asian Art Museum's fifth annual Management-by-Objectives performance report has been reviewed by me and I am pleased to note that there was great improvement in many areas. You and your staff should be commended for adding new objectives for activities designed to attract more museum visitors. Some performance achievements are noted below:

- o There was an 82% increase in attendance, from 325,064 in 1984-85 to 581,659. Although this increase was due largely to the popularity of the Impressionist exhibit at the de Young Museum, it is gratifying that so many of the visitors found it worthwhile to add a visit to the Asian Art Museum. However, we have to continue to expand attendance; in Fy '83 - '84 attendance was 903,036.
- o You rotated 1,680 art objects from your permanent collection, a substantial increase from the 1,000 objects rotated in the previous year. I appreciate very much the fact that you added increased rotation as an objective in response to my concern.
- o There was no gain in of docent tour attendance, but 99% of the target was met. You did increase the attendance for Speaker's Bureau lectures, from 1,321 to 2,238, a 69% increase.
- o The extended school program, an important effort to start educating young people in the resources of the Asian Art Museum, enjoyed a big surge in popularity. In 1984-85, 2,075 children from grades 4 to 12 participated in your school program, and in 1985-86, this figure more than doubled to 4,377. Your aggressive promotional program worked very well and many teachers took advantage of the museum tours and related educational activities. Please extend my congratulations to all those involved.
- o You co-sponsored ten events with Asian cultural groups, three more than those presented in 1984-85. Attendance at these events more than doubled, from 3,189 in 1984-85 to 6,602 in 1985-86. These are very good results and I know your staff also attend many non-museum sponsored events in the different Asian communities. The trends are encouraging, but the Commission must continue to make outreach a priority. I would like to ask you to submit to me quarterly reports on the outreach program.

The Honorable Warren Faus, President
Page 2

My last MBO review touched on the need to complete the formal collections management policy. I understand this is finally in draft form. Please send the document to me as soon as you complete the final revisions.

The bilingual labeling project is also progressing. It is my understanding that the Korean labels are almost ready for mounting, and bilingual labels are already in place for the Tibetan and Nepalese exhibits. Your staff are also planning to produce Japanese and Chinese labels. As you know, this project is a high priority with me and I encourage you to seek private funding to accelerate the process, as you did with the Korean labels. If I can help in this effort, I will be happy to do so.

Your overall MBO performance for fiscal year 1985-86 was excellent. I look forward to the next review in anticipation of even greater achievements. Congratulations on a good job!

Sincerely yours,

Dianne Feinstein
Mayor

DF/BL:az

cc: Mr. Rand Castile



October 28, 1986

Mr. Sam Duca
Assessor
City and County of San Francisco
City Hall, Room 101
San Francisco, CA 94102

Dear Mr. Duca:

I have reviewed your department's Management-by-Objectives performance report for the 1985-86 fiscal year. Thank you for your cooperation in this program and for the timely submission of data.

I am pleased that, once again, all established performance objectives and MBO targets were achieved in the Real Property Division. You were able to complete all required tasks and no backlogs developed although the workload created by the Supplemental Assessment rolls required by SB 813 was much higher than expected. This project resulted in almost 36,000 supplemental notices and billings compared to the projected 26,000. Nevertheless, these notices were all completed in a timely fashion.

However, in the Personal Property Division, the requirement to produce supplemental assessments caused a major problem. For the first time in several years, the Assessor's office was unable to meet a major performance objective. AB 2345 extended to personal property the same requirements for supplemental assessments that SB 813 did for real property. Your department was to review 22,000 business statements and then prepare an anticipated 7,000 notices of supplemental billings. These billings would have added to the rolls supplemental assessments for approximately 6,000 taxpayers.

Although the 22,000 statements were reviewed, none of the supplemental notices and bills were prepared. As a result, revenues ranging between \$500,000 and \$750,000 have been earned but not collected by the City. Moreover, these uncollected revenues continue to accrue at the rate of approximately \$500,000 per year. It is true that these back revenues are not lost forever and can still be collected in the future. However, the longer the timespan, the greater the danger of delinquencies occurring or changes in ownership or status of the property. These factors will reduce the amount that is finally collected.

I understand that, in cooperation with the Controller's Data Processing Division and EISPC, you have established a plan to accomplish this task by means of a computer program which will calculate the supplemental obligation and prepare the appropriate notices and billings. I urge you make implementation of this plan a high priority for your department.

Also, in the personal property division, you were not able to meet your objective of performing 4700 field audits and appraisals as only 4399 were completed, missing your MBO target by 6.4%. This performance was also a result of the supplemental billing process since staff had been diverted to accomplish the review of the 22,000 business statements.

Congratulations are in order for the staff of the Technical Services Division. They were able to complete their workload without backlogs. Moreover, computer entries were made with less than a 0.5% error rate, as targeted.

It is noteworthy that the July 1, 1986 Annual Assessment Roll shows an increase of \$2.8 billion for locally assessed property. This is an increase of 10.5% over the previous Assessment Roll and will produce approximately an additional \$32 million in property tax revenues. Certainly, this increase was largely due to increased activity in new construction and real estate transactions. However, by meeting or exceeding most of it's objectives, the department was able to identify and collect those revenues which were due to the City. A less efficient operation would have resulted in the loss of some of these revenues. Good work!

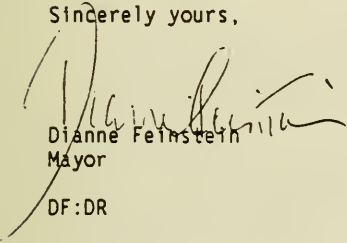
For the past three or four years, the MBO performance information for the Assesor's Office has not been very useful in providing a meaningful analysis of how well the department has performed. It has only provided information as to how much work was done. However, I am pleased to learn that you are currently working with members of my staff to implement changes in the MBO program which will address efficiency and effectiveness. Examples of suggested new performance measures include:

- Percentage of supplemental assessments completed within X days
- Number of audits per person day
- To process 100% of exemption claims
- To review X% of building permits for new construction, etc.

Sam Duca, Assessor
October 28, 1986
Page 3

I consider MBO to be an important management tool that can be used to set priorities for your department, measure the efficiency of operations, and direct diverse activities towards general department goals. I do appreciate your cooperation in the collection and timely submission of data to my office. I look forward to future MBO reviews that reflect even further the actual performance of the Assessor's Office. Please accept the assistance of my office in making 1986-87 an even better year.

Sincerely yours,



Dianne Feinstein
Mayor

DF:DR



November 18, 1986

Louise Renne
City Attorney
City Hall, Room 206
San Francisco, CA 94102

Dear Louise:

I am most happy to welcome you to the City's management team as the new City Attorney. I know that the same dedication that you displayed as a Supervisor will be shown toward the City Attorney's Office.

I would like to thank the department for its cooperation in the timely submission of performance information. I have reviewed the Management-by-Objectives performance report and wish to share my comments with you.

The City Attorney's Office has been struggling to meet the increased demand placed on the department by an increasing number of claims and lawsuits, and by more complex legislation such as that dealing with toxic waste and companies doing business in South Africa. In order to resolve litigated matters on terms advantageous to the City, it is advisable to limit the caseload per attorney as much as possible.

The industry-wide standard is 90 cases per attorney, which is the performance target in the City Attorney's office. However, the average caseload in the office is 116 cases per attorney. Nevertheless, the department was able to increase the efficiency of the office by organizing his staff into trial teams. This effort is appreciated.

In the rendering of legal opinions there was only slight improvement

Requests for oral opinions were responded to within 5 days, continuing the performance of the previous year.

Requests for written opinions were responded to within 47 days, whereas 50 days were required in 1984/85.

Louise Renne
November 18, 1986
Page 2

There was also some improvement in the processing of claims as the average time required to settle meritorious claims was reduced from 35 days to 33 days. This was still short of the target of 30 days.

Some of the delay in claims processing was caused by internal delays in various City departments. It had been anticipated that this problem would be eliminated once the new Central Bureau of Claims Investigation and Administration is established in the City Attorney's office. This bureau was approved by the voters in the June election. The intent of the legislation was to remove the City Attorney's need to rely on departments to investigate claims; rather, the department would be able to perform this function with its own centralized staff.

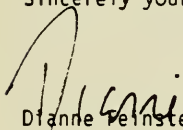
The new system was to be much more aggressive than the present system. The ability to conduct an investigation at the time of an incident, taking photographs and locating eye-witnesses, should result in lower claims-payouts by the City. The ability to dispose of meritorious claims as soon as possible will result in fewer claims becoming lawsuits.

I understand that the funding and staffing for this bureau is now under review and that the systems and procedures for its operation will soon be implemented. MBO goals, performance objectives, and targets will then be established.

I urge you to give the establishment of The Centralized Bureau of Claims Management Bureau high priority in the ensuing months.

I understand that you have some ideas for re-organization of the City Attorney's Office in order to provide more efficient delivery of services. I look forward to an era of progress and modernization, under your leadership, in the provision of legal services to the City. I offer the full assistance of my office in these efforts.

Sincerely yours,



Dianne Feinstein
Mayor

BF:DR



October 23, 1986

Mr. Toby Rosenblatt, President
and Members
City Planning Commission
450 McAllister Street
San Francisco, California 94102

Dear Commissioners:

Every year I review each department's performance as measured by the City's Management-by-Objective (MBO) system. This review is directed to you, as the commission responsible for the operations of the Department of City Planning. The purpose of these reviews is to highlight areas of strong performance in the past Fiscal Year and identify those where additional effort is needed this year. This is the fifth year for the MBO reviews, and I am making every effort to keep them brief and to the point.

I would like to begin by asking the Department to take a fresh look at the MBO targets that have been developed over the past five years. It appears that several indicators do not reflect the nature of planning work, and the implementation of the system by staff must be timely for me to use it properly.

Please ask your staff to meet with my office to work out new objectives and targets for measuring this year's performance and urge them to prepare their reports on time for each reporting period.

Congratulations on raising the overall MBO achievement rating for the department from 64% to 84%. I am pleased to see that staff reassignments have helped to improve your ability to process permits, as have new tally sheets and permit history information. There are still areas that need attention, most importantly your performance in making initial determination on permits. While your target is 80% actual performance in FY 84-85 was 60% and it slipped to 32% in FY 85-86. In the related area of processing applications within 3 days, performance in FY 84-85 met the target of 70%, and that target was increased to 80% for 85-86. Performance did not match that new target, however, and only 60% of applications were processed within 3 days. This does not bode well for our efforts to establish a one-stop permit operation. Your cooperation in this effort is critical.

Please report to me by December 31 with an update on performance in processing permit applications, including the effectiveness of your efforts toward improvement. I consider this a top priority.

I note that your performance in reviewing completeness of applications again met the target, and performance improved in processing applications for variances and conditional uses. Good work.

My objectives in establishing a one-stop permit center are three-fold: decrease the time it takes to process a permit; increase the certainty for homeowners and contractors; and improve the overall quality of permit reviews. We must remember that the public is our client and fashion the system accordingly. Staff must continue to work on the one-stop permit center, and you must consider it a top priority this fiscal year.

In early discussions there has been agreement that the problem goes beyond the location of different agencies. What has been proposed is a three-step process that begins with a single in-take desk where all permits would be reviewed for completeness. Secondly, permit applications would be reviewed by highly trained specialists able to identify special issues pertaining to building, planning or fire permits and send the applications to those departments for further review. The third step would be that intensive review and final sign-off. I am particularly pleased with the idea of notifying an applicant after the review at the second step. That notice provides greater certainty by allowing the applicant to know what departments will review his proposal and to set meetings with them. Once this process is fully operational, space considerations should be reviewed.

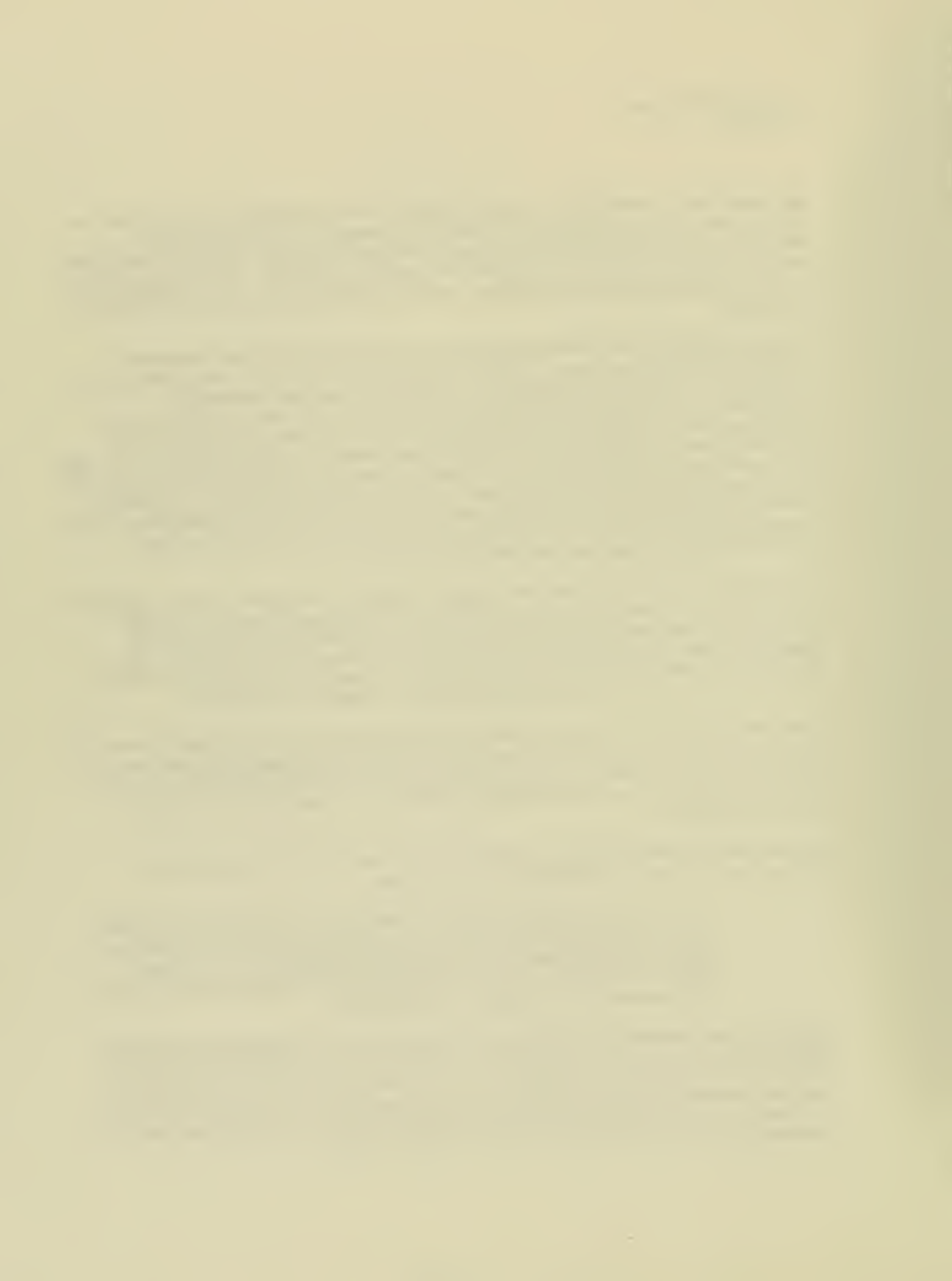
It is imperative that all departments cooperate fully in this effort because the system will be only as efficient as the slowest agency. I appreciate the need for proper training for those staff who will be asked to make determinations about which department sees an application, and I am prepared to back up this training with my continued support for the permit history project. I am also willing to work with the City Attorney to alleviate any problems related to legal responsibilities.

I am very pleased to see that the Violations Abatement program has finally gotten off the ground, and the department investigated 567 violations, exceeding your target of 520. There is still much that must be done to improve violation abatement, and cooperative efforts among the Planning Department, BBI and the City Attorney should be expanded.

I sense that the pilot program in the Richmond to speed up violation abatement reviews has not significantly speeded up the process.

By December 15 please prepare a joint report with BBI on this project. I want to see in the report areas where there have been successes and also any problem areas and your specific suggestions. This report should be a fully cooperative effort, jointly prepared by the Director of Planning and the Director of Public Works.

Certifying environmental impact reports has been a problem, and your performance did not meet your target in 1984-85. That target was lowered from 90% to 60% for FY 85-86, and I am pleased to note that your revised target was met. I urge you to continue working to improve performance. I commend you on meeting your targets for completion of preliminary negative declarations and for exceeding your target for completing staff review of major projects within 4 weeks.

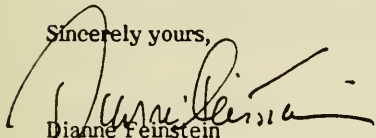


I am very pleased to know that your major planning efforts are on target. I expect the Neighborhood Commercial Plan to be adopted this year along with the plan for Chinatown/North Beach. Like the North of Market Plan, these plans complement our historic Downtown Plan with sensitivity to neighborhood issues. However, I have not received a status report on the Van Ness Avenue Plan, and would like to see a report soon.

I want you also to know that I appreciate your work with my office on a Comprehensive Plan for Civic Center and look forward to a report in January.

Performance improved in the past year, and your successes are to be commended. I am somewhat concerned that problems highlighted in previous M.B.O. reviews, such as permit processing, have continued to fall below your targets, and I ask you to work on them with greater diligence. I appreciate the fact that the Department has worked under a heavy load and that much of your work is done under the bright lights of the press and the scrutiny of attorneys. The Director and his staff are to be commended on work well done.

Sincerely yours,



Dianne Feinstein
Mayor

DF:CF

cc: Dean L. Macris, Director of Planning



September 29, 1986

Carlota Texidor del Portillo, President
and Members
Civil Service Commission
City Hall Room 152
San Francisco, CA 94102

Dear President and Members
of the Civil Service Commission:

I have reviewed your Department's FY 1985-86 performance on the Management-By-Objectives (MBO) program. Performance in most areas continues to be good. A summary of performance is given below:

EXAMINATIONS UNIT

- There was a decrease in the number of eligible lists established as compared to previous years. Only 323 lists were established this past year, compared to 359 in 1984-85 and 352 in 1983-84. I understand that employee turnover and subsequent delays in having requisitions filled caused some of the decrease. It is also my understanding that the type of exam being produced has changed to assembled exams, exams which are designed to produce a better qualified set of candidates. To determine if this is true, I would like you to undertake two different surveys. First, I would like you to repeat the survey of two years ago where departments were asked about the quality of work performed by newly hired employees. Before undertaking that survey, however, please be sure that the survey is accurate and will provide high quality information which will allow year-to-year comparisons. The changes in the types of exams given now should improve that figure.

I would also like you to compare the number and percentage of exams with protests resulting in the exam being thrown out and readministered. While I applaud the Commission's efforts to give exams which result in a more qualified applicant pool, I also want to be sure that we aren't putting ourselves in the position of having to give more exams, as protests result in exams being thrown out.

The target for the number of eligible lists established should remain at 325 so that we can adequately determine the effects of the change in the types of exams given absent the affect of the staffing problems

MANAGEMENT TRAINING UNIT

- Targets for the training the City's managers were again surpassed. 941 managers participated in management development workshops, well above the target of 616. Another 374 managers were trained in the use of the performance evaluation system, compared with the target of 168. Both of these targets should be raised for 1986-87 to provide for more of a challenge and to underscore my concern that we focus on management training. The management development target should be 900 (representing the average of the past two years) and the performance evaluation target to 375 (the 1985-86 level). Please indicate if this is acceptable.
- Thank you for performing audits of the performance appraisal system. I would like you to establish a new objective for the current year. That objective should read "To reduce the number of departments with audit ratings of poor or in need of additional training in the performance appraisal system from 16 to 8". We need to make sure that employees are all being rated fairly and on the same basis across departments.

PERSONAL SERVICES CONTRACTS

- The review of contracts continues to be accomplished in an expeditious manner, with 97% of the 811 contracts reviewed and acted upon within two weeks. While complaints have been registered that the Commission routinely rubber-stamps contracts without regard to cost, I would point out that the Commission is not charged with reviewing contract costs. Rather, my office, the Board of Supervisors and the Controller's Office need to ensure as part of our budgetary review of contracts that costs are reasonable. I ask the Commission to continue its contract reviews to ensure that no qualified group of City employees exist to do the work required.

AFFIRMATIVE ACTION

- Only 73% of the complaints filed with the unit were acted upon within established Commission time limits. This is a large drop from performance in the last two years (88% in 1983-84 and 84% in 1984-85). Because the types of complaints being registered are more complex and detailed than in the past, it is reasonable to adjust the target for this objective. I suggest 80% as this recognizes the increased complexity of complaints while at the same time providing a challenge to the department.
- The number of managers being trained in EEO workshops should improve as the position granted for this purpose is on board for the full year. Thus, the target should be maintained at 1,500. Hopefully, this training will also reduce the number of complaints filed.

AFFIRMATIVE ACTION (Continued)

- Congratulations on preparing an affirmative action plan addressing women in non-traditional employment. This plan has received positive response from women's groups. I encourage you to implement the provisions of this plan, although any funding required should come from within your existing budget. I stand ready to help in any way I can to get the plan implemented.

CERTIFICATION UNIT

- There was continued high performance in the review of requisitions. Requisitions took an average of just over two weeks for the full year, with performance dipping below two weeks in the fourth quarter. Congratulations are in order in light of the restrictions imposed by the Requisitions Review Committee.

CLASSIFICATIONS UNIT

- Only 78% of new and substitute positions were reviewed by this unit during the fiscal year. While this is slightly above the 1984-85 performance of 76%, it is still well below the target of 85% and the 1983-84 performance of 83%. I expect an increase in performance this year as fewer new and substitute positions were approved in the budget.

SENIOR MANAGEMENT SERVICE

- I am hopeful that we can solve any disagreements we may have with the results of the Ralph Anderson survey and go ahead with the implementation of some modified version of the Senior Management Service. Please continue to work with my staff to iron out any problems and then report the results to me. I continue to support the SMS concept and want to see the program go forward.

ACTIONS OF THE COMMISSION

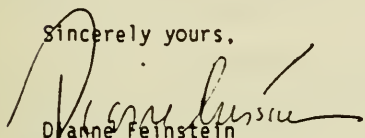
- I believe that the Commission has been acting more recently in a fashion that respects management and I applaud that change. I also recognize the limitations built into the Charter which have caused all of us some problems in the past. I would ask that we work together to change the rules we have control over and to put together a package of further Charter revisions. I believe that our citizens will respond favorably to Charter amendments which allow for a more efficient and effective personnel system and that, working together, we can develop such a system. Let's keep at it!

OTHER ACTIONS

- Increased attention to the development of an employee newsletter is needed. This request was first made in last year's MBO letter and was reiterated during the April budget hearings. To date, the department has taken some small steps toward coordinating the various resources required to prepare such a newsletter, but very little tangible progress has been made. I would ask that you continue to work with my staff on this matter.

In conclusion, I congratulate the department on a year of solid performance. I continue to challenge the Commission to provide the best personnel services possible and to remember that the level of services provided to the citizens of San Francisco are reflected in no small part by your actions regarding employment practices.

Sincerely yours,



Dianne Feinstein
Mayor

cc: John Walsh, General Manager
Civil Service

DF:SN
0202R



December 20, 1985

Dr. William Gee, President
and Members
Commission on the Aging
1360 Mission Street, 4th Floor
San Francisco, California 94103

Dear Commissioners:

Your Management by Objectives performance for 1984-85 has been reviewed by me. This was the second year of your participation in the MBO program, and your overall performance improved greatly over your first fiscal year, FYI 1983-84.

You should be commended for the successful effort in obtaining reliable information from your 41 contractors in order to have true MBO measurements of services provided. This joint effort by your staff and service providers gave us the opportunity to analyze the performance in each service area.

Administration

- o Administration objectives were met. All contracts were processed within 45 days and contractors monitored for work performance on a quarterly basis.

Information and Referral

- o This was the second year that the Department of Public Health has taken over the information and referral services. The number of unduplicated clients served doubled the number of fiscal year 1983-84. Obviously the consolidation and transfer of these services contributed to this big gain.
- o The evaluation and follow-up services were almost nine times greater than those offered in the previous year. The target for this current year has been raised to meet the expected increase in these services.

Case Management

- o Case Management services to enable functionally impaired clients to obtain needed services increased by 18%, from 1,392 to 1,646.

Housing

- o Housing placement and counseling services decreased from the previous year. This was due in large part to the decreased availability of affordable housing units. Your staff is currently studying this problem and will report on options for programmatic changes.

Nutrition

- o Compared to the previous year, 3% more unduplicated clients were served in the congregate meal program. Also, there was a 4% increase in the number of meals, from 1,143,026 to 1,201,452.
- o For in home meals, you served 57% more clients, from 2,084 in the previous year to 3,275. The number of in-home meals increased by 23% from 360,597 to 444,772. These large increases were made possible by special state legislation providing more funds for in-home meals.

In Home Services

- o In-home services, including the performing of household chores and personal care, increased, from 765 unduplicated clients served to 929. Your current year target of 688 is too low, and should be adjusted.

Security/Crime

- o The number of unduplicated clients who recieved security services dropped by almost half, but the number of escort trips went from 6,221 to 8,343, a 34% increase. Apparently, clients are beginning to use this service on a regular basis, and there was less turnover of clients.

Transportation

- o The newly coordinated transportation services under the Public Utilities Commission proved to be highly effective. The number of one way trips increased 14%, from 58,265 to 66,835.

Community Services

- o 121,981 clients received income support and material aid. This 41% increase from the previous year's 86,647 clients served was due to increased USDA surplus commodities and other commodities made available to seniors.

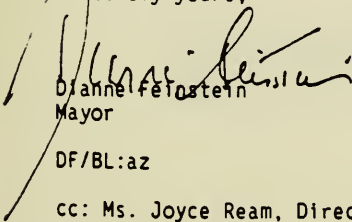
Consumer Services

- o The number of unduplicated clients increased slightly; from 13,263 to 13,669. However, the number of discount cards increased by 28%, from 39,479 to 50,539. The substantial increase in discount cards issued was the result of adding new sites for this purpose.

Your overall MBO performance for the second year was excellent. I ask that your department work with my staff to revise current year targets to reflect realistic expectations and also to develop additional measures of program effectiveness.

Congratulations on a fine year of achievement.

Sincerely yours,


Dianne Feinstein
Mayor

DF/BL:az

cc: Ms. Joyce Ream, Director



March 4, 1987

Isabel Huie, Chair
and Members
Commission on the Status of Women
1095 Market Street
San Francisco, California 94103

Dear Chair and Members:

I have completed my review of the Fiscal Year 1985/86 MBO performance of the Commission on the Status of Women (COSW). Your performance included the following:

- COSW continued to distribute the comparable worth factsheet and educated 23 government officials on pay equity. As the City moves toward the implementation of comparable worth, the Commission must continue with a concerted effort on this issue.
- Information dissemination fell off dramatically in the area of sexual harassment. In FY 1985/86 only 560 employees received information on sexual harassment, in contrast to 5,120 employees in FY 1984/85. It is my understanding that a greater abundance of resource material was available when the subcommittee on sexual harassment was staffed with volunteers who could conduct fundraisers and classes.

I strongly urge the C.O.S.W. to work to strengthen the Committee's volunteer's staff; work with the Civil Service Commission; and to reproduce the handbook "How to Create a Workplace Free of Sexual Harassment", so as to increase the availability of instructional information on sexual harassment.

- Efforts to address the problems of sexual assault and child sexual abuse yielded 100 members of the public educated on this issue and the development of a pilot videotape - both untargeted performance measures. Unfortunately the goal of providing in-service training to 30 counselors was not met. I strongly urge the Commission to devote a concerted effort on this objective given its critical role in combating sexual assault.
- COSW continues to promote effective mechanisms for the administration and utilization of domestic violence program monies. 4,359 clients were served by the shelter and legal assistance programs, down from 5,363 clients served in FY

84/85 by La Casa De Las Madres, Women, Inc., Family Violence Project and Rosalie House. Given the lower utilization of domestic violence program fund monies as a percentage of total budgetary requirements, I suggest that the Commission develop realistic targets for the current fiscal year. For example, the anticipated percentage of COSW funding required by La Casa was 51% versus the actual of 12%.

- COSW maintained contact with the 186 members of the legislative network, thereby increasing the potential for positively influencing public policy for women.
- Attendance by diverse women groups at COSW events did not meet the desired level. Only 5% of the projected 30% of diverse women participated on the COSW committees; in addition only 29% of the anticipated 10% of the women were reached. The Commission must continue to increase the participation of diverse women groups.

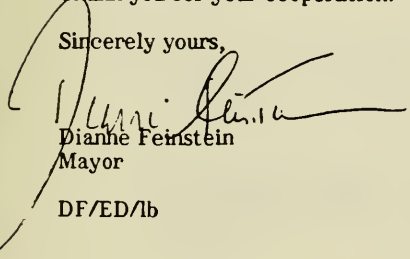
Overall, the Commission on the Status of Women has made significant progress as reviewed under the Management-By-Objectives program. I urge you to implement realistic targets and to adjust targets closer to actual levels of performance.

In light of the severe budget restraints that affect all agencies, you are cautioned to become knowledgeable about which city departments currently perform services similar to the Commission's and to avoid duplication of services. Please concentrate on those areas where the Commission can be particularly effective (i.e. prevention of sexual assault/harassment and the domestic violence program).

Fiscal Year 1985/86 and the months following have been difficult ones for members of the Commission on the Status of Women. Please be assured that I appreciate your support and hard work, and respect your differences of opinion. I recognize that individual Commissioners will not always agree, but it is critical that Commissioners are always able to work together since the Commission has a small staff and a large range of issues to address. I look forward to working with you for the remainder of 1987.

Thank you for your cooperation.

Sincerely yours,



Dianne Feinstein
Mayor

DF/ED/lb



September 29, 1986

John C. Farrell
Controller, City and County of San Francisco
City Hall Room 109
San Francisco, CA 94102

Dear John:

I have just completed my review of MBO performance in the Controller's Office for 1984-85. I will be addressing the FY 1985-86 performance for Data Processing in a separate letter. Performance in all areas of the Controller's Office was good in the past year. A recap of performance shows:

- All mandated audits were completed during the year. Additionally, another 16 audits considered priority in nature were completed. A few years ago, many of these audits would have been contracted out at a much higher cost. This program has developed a high level of in-house expertise and is able to respond quickly and efficiently to audit requests. Departments also seem to have a high opinion of the program, with few complaints being registered at audit results.
- Congratulations are also in order for completing the implementation of the new payroll system in all City departments. It was a long and, at times, exasperating situation. However, you and the Payroll staff are to be congratulated on implementing the system with a minimum of disruption.

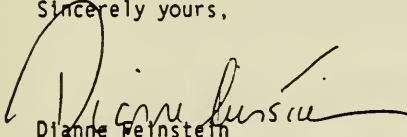
It is my understanding that payments from the Reserve for Interest on Employees' Paychecks will be completed by the end of October. Please advise me as to the necessity of continuing these payments in the future.

- All of the financial reviews scheduled to be performed were performed on time. These periodic analyses of departmental expenditures and the impact on the surplus were of great assistance to me and my staff in developing the 1986-87 budget.
- As I have been able to do for the past few years, I am quite pleased to note the continued timely closing of the City's accounting books, the development of the Consolidated Annual Financial Report (CAFR) and the awarding of the certificate of compliance for that report. Congratulations again.

- I am very pleased to note that performance in the Financial Systems Program improved in the past fiscal year. Both the program manager and other departmental managers have worked to ensure that the number of projects undertaken at any one time by the program was not excessive and that the established deadlines for those projects were reasonable. The projects which were undertaken were generally completed on time. I would ask that you continue to monitor this area and that you critically look at the costs involved with the City's financial systems with an eye toward reducing them.
- The on-line budget system was implemented for the 1986-87 budget development process. While there were some problems with the system, it still made life much easier for my budget staff. I would like to single out the efforts of Nini Leigh, who coordinated the technical aspects of this system during the past year. Her efforts made our jobs much easier.
- Continued monitoring of the development of the Capital Asset Management System is still required. While I still support the concept of CAMS, I am still concerned that development of the system be completed in the most economical fashion possible.

In conclusion, I would compliment you and your staff on a year of excellent performance. I would also like to personally thank you and your selected members of your staff for the assistance given in solving the problem of the \$76 million deficit. Included in this group are Dave Fong, John Guthrie, John Madden and Stan Stephens, all of whom contributed to the solution. It is my sincere hope to continue the special relationship my staff and I have developed with you and your staff.

Sincerely yours,



Dianne Feinstein
Mayor

DF:SN



September 25, 1986

Ray Bozzini
Commissioner of Agriculture
and Sealer of Weights and Measures
501 Army Street
San Francisco, CA 94124

THROUGH: Mr. Roger Boas, Chief Administrative Officer

Dear Ray:

I have reviewed your department's MBO performance for fiscal year 1985-86. Once again, you have met or exceeded your targets in most areas and have increased your revenues, while maintaining the same number of budgeted staff. Good Work!

The level of activity at the Farmer's Market continues to increase. For the second consecutive year, all performance objectives relating to the operation of the Market were achieved and all performance targets were exceeded.

More than \$150,000 was collected in stall and tonnage fees. This revenue represents an increase from the \$147,000 of the prior year and exceeded the target of \$120,000 by 25%. The number of stalls rented increased from 11,978 to 12,145, exceeding the target of 10,000 by 20%.

The number of tons of goods passing through the market increased from 3,529 to 3,671, an increase of 4%.

I am pleased that the MBO targets in these activities will be increased to reflect the current level of activity. I know that if more space were available at the market, these numbers would be even higher. However, there is no additional space available at this time. These results indicate that the merchants and customers have been satisfied with the service you provide and that San Francisco does have a need for a Farmers' Market in this urban environment.

Activity in the Weights and Measures program was higher than anticipated in most cases and actual performance came very close to the objectives set.

Almost 299,000 packaged commodities were inspected, an increase of 4.5% over the previous year. This exceeded the target of 285,000.

The target of testing 7,000 weighing and measuring devices was exceeded. The 7,784 devices tested was a 23% increase over the 6,311 of the previous year.

In this program, the one area in which performance did not meet expected levels was the inspection of weighmaster and petroleum premises. There were only 449 such inspections, falling short of the goal of 500. Furthermore, this was a 16% reduction from the 535 inspections of the current year.

Due to your efforts, a new program for the inspection and registration of commercially used weighing and measuring devices will begin on January 1, 1987. This program will bring additional fee revenue to the City.

There was a significant increase in activity in the Agricultural Inspection Program.

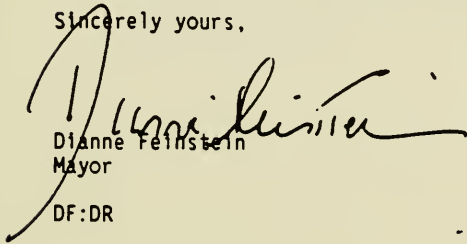
More than 195,000 packages were inspected for export certification, a 25% increase over the previous year.

For pesticide use performance, more than 327 premises were inspected, whereas only 250 had been projected. I understand that this was because extra time was devoted to watermelons after pesticide contamination was discovered in July, 1985. This response reflects your ability to provide needed services in times of danger to the health of the community.

All targets were exceeded in the other inspection activities in this program.

During this past fiscal year, you and your staff have acted in a dedicated and conscientious manner to provide services to the people of San Francisco. That dedication is reflected in your MBO achievements. Thank you again for your cooperation.

Sincerely yours,



Dianne Feinstein
Mayor

DF:DR



December 5, 1986

Boyd Stephens, M. D.
Chief Medical Examiner
850 Bryant Street
San Francisco, CA 94103

Through Mr. Roger Boas
Chief Administrative Officer

Dear Dr. Stephens:

I have just completed my annual review of the performance of the Medical Examiner's Office for FY 1985-86, as reported under the City's Management By Objectives program. I want to take this opportunity to thank you and your staff for your continued commitment to this important endeavor, and to compliment you for the achievements you have made over the past several years.

First, the public may obtain much satisfaction from the areas where performance has improved and the objectives were met or exceeded.

- o The department continues to meet its objective to positively identify at least 90% of unidentified cases within 30 days. Of a total of 196 unidentified cases during FY 1985-86, (a 35% increase in cases over last year) 98% were identified within 30 days. This is up from the 97% success rate for FY 1985-86, and 93% rate for FY 1984-85. Quick identification reduces staff time and assists outside agencies in locating a missing person. It also reduces suffering of families when the next of kin can be notified quickly.
- o The department has succeeded in maintaining a high level of skill among investigators by continuing to provide over 20 hours of training per investigator. Maintenance of training hours was achieved even though the department had a large turnover of personnel in FY 1985-86. This is an improvement from the average of 6 hours during 1984-85, and only 1 hour during 1983-84.

BOYD STEPHENS, M. D., LETTER
DECEMBER 5, 1986
PAGE 2 OF 2

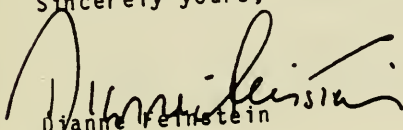
- o The toxicological test turnaround time was slightly increased to an average of 4.9 calendar days from 3.8 calendar days. I understand that this increase was due to the extensive down time required to install the much needed Halon fire system and new spectrometer. This represents a reversal of the improved turnaround time of 3.8 days from the 23 days in 1980-81, when it was first measured. During 1983-84, the average turnaround time was 4 days. You have given assurances to this office that the current year target of no more than 4 days will be met. I hope and expect that this will be case and now that your new equipment is installed, I suggest that your target be tightened to less than four days.

I would like to draw your attention to an area in which the department did not meet its goals. This area needs your personal attention during the current year.

- o Only 66% of the staff had personnel evaluations completed during 1985-86. Personnel evaluations are an effective means of communicating performance strength and weaknesses as well as expectations with your staff. These are very important, especially since you have experienced a high turnover rate this past year. This has been generally a weak area for the department. Only in FY 1984-85, was the department able to achieve 100% of the necessary evaluations.

You and your staff are to be congratulated for making the progress shown over the past several years. The addition of new equipment has gone a long way to help you achieve the goals. It appears that MBU has helped to achieve positive results for your office. Please work with my staff to develop new objectives for your department for the new programs dealing with persons under the influence.

Sincerely yours,


Dianne Feinstein
Mayor
DF:DC



January 15, 1987

The Honorable Arlo Smith
District Attorney
Hall of Justice
850 Bryant Street
San Francisco, CA 94103

Dear Arlo:

My annual Management-by-Objectives (MBU) performance review for the 1985-86 fiscal year has been completed. I am pleased to note that you are continuing to collect and report performance data as part of the City's MBU system.

The past year's performance for the Prosecution Division shows the following:

- * 94% of all felony trial cases proceeded to trial within 60 days without appellate stays, exceeding the target of 85%. This target should be increased to 95% for the current year.
- * The number of all misdemeanor citation cases that were reviewed within 10 days of receipt increased from 54% to 86% and 99% were reviewed within 20 days, thereby meeting or exceeding your targets.
- * 82% of preliminary court witnesses were contacted prior to court date, although a 100% target was set.
- * 85% of preliminary court subpoenas were issued within two days of trial setting against a target of 90%.
- * 79% of felony warrants requested by outside agencies were issued within two days of approval, for exceeding the target of 65%. The target should be increased to 75% for the current year.
- * The Department had difficulty completing 50% of misdemeanor investigations within two weeks. Significant improvement, however, was demonstrated between the first and last quarter performance.

January 15, 1987

- * Victim-witness and Family Violence programs met or exceeded their targets for counseling and aiding victims of crime.
 - 94% of claims for compensation for victims of violent crimes were processed, exceeding the target of 90%.
 - 463 hours of court assistance were provided to victims and witnesses. This is a 20% decline from the 535 hours provided during the previous year.
 - 246 victims of violent crimes were assisted with filing compensation claims.
 - 2672 counseling and information services were provided to victims of family violence. This was a far greater number than the target of 750.

For several years now, I have expressed the hope that you would expand the scope of your objectives to incorporate the full scope of work performed by your office, rather than the 25% it now covers. I specifically wanted to see measures that emphasized results.

Your response of February 3, 1986 to this request last year indicated that you did not believe our use of the State Attorney General's uniform crime reports to obtain comparative conviction rates was an accurate reflection upon the performance of your office. You further stated your belief that state prison conviction totals were the only appropriate measure of performance for your prosecution office. I believe it is useful to look at both conviction and sentencing rates to gauge performance. Until you can provide us this information through the MBU system we must continue to draw on other sources for this information.

A review of conviction data available through the State Attorney General's Office published for 1985 shows that your office accomplished a 56.5% conviction rate (down from almost 60% in 1984) for all adult felony filings in lower and superior court. A comparison with other metropolitan counties in California shows that the San Francisco conviction rate is lower than other large metropolitan areas.

January 15, 1987

ADULT FELONY
DISPOSITIONS IN LOWER AND SUPERIOR COURT
BASED ON COMPLAINTS FILED

	ACQUITTED/ DISMISSED %			CONVICTED %		
	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
State Wide Average	23.0	21.5	21.2	77.0	77.7	78.8
Alameda	31.5	30.6	35.0	68.5	69.1	65.0
SAN FRANCISCO	<u>41.0</u>	<u>40.1</u>	<u>43.5</u>	<u>59.0</u>	<u>59.6</u>	<u>56.5</u>
San Diego	21.7	20.7	16.3	78.3	76.7	83.7
Sacramento	25.6	23.4	23.9	74.4	76.1	76.1
Los Angeles	17.1	15.8	16.0	82.9	83.3	84.0

Dismissal rates decreased in our Superior Court but increased in Municipal Court. San Francisco sentencing patterns were also encouraging; probationary sentences declined while probation with jail and prison sentences increased considerably. The following table shows how San Francisco compares to other large counties on sentencing to state prison.

PRISON SENTENCES AS A PERCENT OF
FELONY CASE FILINGS

	<u>1984</u>	<u>1985</u>
State Wide Average	11.7%	12.0%
Alameda	8.7%	8.7%
SAN FRANCISCO	<u>11.2%</u>	<u>10.7%</u>
San Diego	10.1%	9.4%
Sacramento	10.7%	10.8%
Los Angeles	12.4%	13.4%

The Department has achieved a prison sentence rate higher than San Diego or Alameda but still below the statewide average. Further, the table shows that statewide average of cases with prison sentences increased from 1984 to 1985 while the San Francisco average decreased.

January 15, 1987

The Municipal and Justice Court Summary Report for the fiscal year 1984-85 for San Francisco, shows a 63.0% conviction rate for felony filings. The discrepancy with State figures is the product of a different counting approach. This compares unfavorably with 66% for fiscal year 1984-85.

As I have requested in the past, if these figures are inappropriate or inaccurate, I hope that you will report the correct figures under MBO, even if this means a handcount procedure until an automated report can produce accurate figures.

FAMILY SUPPORT BUREAU

A new automated case file system begun operation in February 1986. System implementation consumed many staff resources during the year and accounted for the fact that the bureau met many more of its key objectives during this year.

The Intake Unit opened 7,223 new cases as opposed to the targeted 8,000. The 656 stipulations and defaults processed also failed to meet the target of 700. Monthly current child support orders, however, exceeded the \$162,000 target by \$17,479.

The Accounting Unit did not quite meet its target of recording support payments within 2 days of receipt. It managed a 266 day average.

The Location Unit failed to meet one key objective. Only 1,890 of the 2,500 targeted locations of absent parents were realized, due to staff turnover. 1,240 summons and subpoenas, however, were delivered exceeding the target of 1,000.

The Enforcement Unit met two of its three key objectives. Its goal is to prepare accurate support billings and to maximize collections.

- The monthly support billing collections exceeded annual target of 75% to reach 81%
- The target of \$2 million in welfare arrears collections was exceeded by \$219,367

However, only 1,980 of the planned 2,800 legal orders were processed.

The Legal Unit was successful in completing each of its four objectives;

- 1126 writs of execution were completed against the target of 850

January 15, 1987

- Existing support order amounts increased, passing the target of \$41,000 to reach \$54,610
- Streamlined case handling procedures contributed to 724 original orders and judgements being obtained against a target of 550

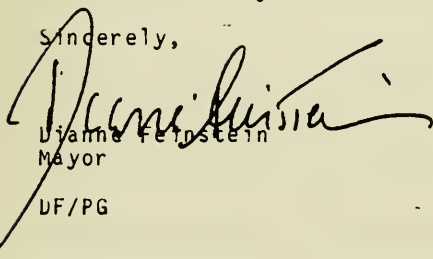
The Administration Unit is responsible for seeing that departmental objectives are met for the entire Family Support Bureau. In some ways, these are the most important objectives.

- Total collections were increased from \$9,250,000 to \$10,077,899 to exceed target
- \$278,236 in City AFDC funds were recovered, exceeding the \$262,000 target
- While total non-welfare clients served did not reach the targetted 50% of all clients, 50% was achieved from the last quarter of the year
- MBE outreach objectives were exceeded but only 4% of the planned 10% of awards were made
- WBE outreach and award objectives were exceeded

* * *

The year's results are more encouraging for the Family Support Bureau. Results for the Prosecution staff are difficult to discern because the objectives do not emphasize results. I am still hopeful that you will prepare objectives addressing misdemeanor and felony filings, hearings and dispositions for the current fiscal year.

Sincerely,



Dianne Feinstein
Mayor

DF/PG



December 12, 1986

Through Roger Boas
Chief Administrative Officer

Jules T. Beckley
General Manager
Department of Electricity
901 Rankin Street
San Francisco, CA

Dear Mr. Beckley:

I have reviewed your department's MBO results for fiscal year 1985-86. Overall, the results are positive and solid, although some areas still need to be addressed.

Once again, you succeeded in keeping both fixed and portable radio units operational, and responded quickly to radio failures. But, as in prior years, preventative maintenance must be improved.

While you are performing above the 99% level in terms of keeping radios working, you have allowed preventative maintenance to fall well below acceptable levels, down to 20%. This is the second straight year this has happened; I am hopeful that you will give this issue serious consideration, and make the necessary adjustments to improve performance.

Public Safety Wire Communication again exceeded all targets, while the Mayor's Emergency Telephone System continues to see improved reliability.

You again achieved 99% performance for keeping our fire alarm equipment reliable. Excellent work. You achieved one hour response time, 95% of the time, to complaints regarding fire house equipment, thereby meeting your goal. You also exceeded your target for testing of fire alarm boxes. I am particularly pleased with your continued high marks in keeping the Mayor's Emergency Telephone System in good order.

The Parking Meter program's MBO measures need some refinement.

The objective of "servicing and inspecting" 73% of the City's parking meters on a daily basis in itself does not give us a total picture of performance. What should be measured is the number or percentage of meters that are in working order at any given time. A new measure should be developed.

Jules T. Beckley
Page 2
December 12, 1986

Your shop overhauled 38% of the City's parking meters, close to its target of 40%. Some extra effort may be required in this area.

I ask that you pay especially close attention to the Parking Meter program. The repairers out on the street require closer supervision. You currently have just one manager supervising your entire force of 16 repairers. The span of management must be reduced to ensure an effective program.

Performance in the Traffic Signal Maintenance and Repair Program showed improvement.

87% of traffic signal complaints were responded to within one hour, up from 82% the previous year. The target should be increased to 90%, as the City's liability from signal outages is potentially severe. I am pleased that your efforts resulted in the relamping of 817 traffic signal intersections, significantly above the target of 740.

May I also take this opportunity to thank you for your participation in my task force to develop recommendations on a consolidated dispatch and emergency operations center.

Overall, your department is showing good results. Your commitment to the success of your programs is much appreciated. Please attend to the areas mentioned in this letter, and keep up the good work.

Sincerely yours,

Dianne Feinstein
Mayor

DF/JW



December 5, 1986

Mrs. W. Robert Phillips, President
and Members
Board of Trustees
The Fine Arts Museums of San Francisco
Lincoln Park
San Francisco, California 94121

Dear Trustees:

I have just completed a review of your 1985-86 Management by Objectives Performance and am happy to report that this was a very successful year for the museums. You met all your objectives, and in some very important areas, exceeded targets set for the year.

In my last MBO letter, I indicated that the computerization of registration record was of high priority. This two year project, started in April, 1985, was approved by me with the agreement that all 100,000 objects in the permanent collection will be registered in the automated system. In fiscal year 1985-86, 48,575 records were entered, way above the target of 36,000. The total figure, from April 1985 through the first quarter of the current year, is 76,997, and you are comfortably ahead of schedule. It is satisfying to note that this project will finally put in order all registration records.

The New Painting: Impressionism 1874-1886 was an extraordinary success. The attendance for this one exhibit was 516,000, bringing the total attendance to 725,620, again exceeding the optimistic projection of 685,000 for the year. Aside from earning a net revenue of \$2,500,000 for the museums, this exhibition attracted many visitors to the city and enhanced our city's excellent cultural reputation. As you reported earlier, 31% of the visitors came from outside the Bay Area, and their visits were beneficial to our local economy.

It is apparent that "blockbuster" productions such as the Impressionist and Vatican exhibits are necessary, not only for the economic benefits, but equally as important, as attractions that draw many first time visitors to our museums. I am aware of the tremendous resources that must be invested to bring another major show to San Francisco, and I am prepared to assist you in any way possible. For example, we need to continue our efforts to bring a major exhibition from the Hermitage Museum in Leningrad to San Francisco.

I am pleased to learn that your museums and the Asian Art Museum have recently established a joint committee to work cooperatively for the benefit of all three museums. This is the last year of Mr. Ian White's service as the Director of the Fine Arts Museums and we will all miss his leadership. Before his departure, your Board should work with Mr. White to formulate a long term plan to address the museums' programmatic, funding and space needs.

Mrs. W. Robert Phillips, President
Page Two
December 3, 1986

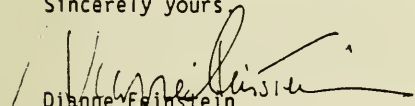
Other MBO performance highlights were:

- o The number of art authenticating appointments and artist critiques was right on target at the previous year's level. However, there was a 52% increase in researchers served on site, from 85 in 1984-85 to 129 in 1985-86. You have revised your 1986-87 target to reflect an expected increase in research services attributable to the addition of a curator..
- o All 54 museum guards completed training at the police academy and the target to provide 20 in-house training sessions was met.
- o There were nine special exhibitions at the de Young Museum, exactly on target. However, there were six Achenbach exhibitions at the Palace of the Legion of Honor. This was a substantial increase over the previous year's four exhibitions.

You and your staff are to be commended for doing an excellent job in an extraordinary year. Your MBO performance keeps improving with each year, and I look forward to the next annual review.

Thank you for a job well done.

Sincerely yours,



Dianne Feinstein
Mayor

DF:baz

cc: Mr. Ian White
Mr. Whitney Hall



December 12, 1986

Henry Berman, President
and Members
San Francisco Fire Commission
260 Golden Gate Avenue
San Francisco, CA 94102

Dear Commissioners:

Having completed the annual review of the Fire Department's Management-By-Objectives (MBU) Performance Report for Fiscal Year 1985-86, I would like to share with you some of my observations. Before going into the specific performance results from the previous year, I want to focus on some issues that continue to be a matter of great concern to me.

In 1983, when I addressed the Commission, I expressed my concern about the reports of racial tension among some of the firefighters. Unfortunately, similar reports and alleged incidents have surfaced in the department during the past year. These tensions and events are debilitating to morale and must be ended.

Let me thank the Commission and departmental staff for the numerous hours it has devoted to dealing with this issue. However, following racial incidents and the subsequent court ordered hold up of exams it is essential that the Commission and Chief assertively convey the message that racial prejudice will not be tolerated in the Department. Also, the Commission must expedite the hiring of women and actively recruit both women and minorities.

I believe it is critical that the Chief and Deputy Chiefs, unannounced but regularly, visit all stations to discuss problems and policies with firefighters and their commanders. As stations become more isolated they often become victims of "grapevine" misinformation. Deputy Chief Phipps has been doing this and his visits should be continued, but I believe that the Chief and the Commissioners should also regularly visit stations and I am hereby requesting that you do so. I cannot too strongly state that the leadership of this department must aggressively prevent any racist behavior and take strong punitive action if such does occur. Also, the standing order against the use of alcohol in the firehouses must be vigorously enforced.

December 12, 1986

Regarding your specific MBU results, again in 1985-86, the Department exceeded its goal to achieve at least a 2.8 minute average city-wide response time to building fires. Actual performance was 2.6 minutes. This compares favorably to your achievement of a 2.5 minute average for the past three years and 2.7 minutes for FY '81-82. Performance in this area remains very high.

The Department was 6 seconds short in meeting its target for response time to resuscitations. Actual performance was 3.1 minutes. The target had been 3.0 minutes. Performance is also down slightly from 1984-85 when a 2.9 minutes average city-wide response time was reported. Attached are comparisons of average city-wide response times to fires and resuscitations for Fiscal Year 84-85 and 85-86. In reviewing the data, however, I note there are certain divisions and battalions where average response times was not achieved. I would like to receive a written explanation from the Department explaining the slippage of performance in these areas.

The Department has improved substantially in its follow-up inspections of violations identified by the CRISP Program. Performance for days to follow up have gone from 55 in FY '83-'84 to 14 in '85-'86 with the correction rate going from 65 percent to 79 percent respectively.

Last fiscal year the Department again exceeded its goal to limit fire spread to floor of origin in 90 percent of all incidents. The average for the three Divisions was 92 percent, which is slightly under last year's performance of 92.8 percent. In 1983-84 the overall fire containment was 91.3 percent. Good work.

The number of false alarms continued to decline in 1985-86. Of 41,917 fire incidents, 9,151 or 22 percent were considered to be false alarms. Performance in 1984-85 was 26.4, percent down from 28.4 percent in 1983-84. The Department objective has been to limit false alarms to 30 percent of total incidents received. A more realistic target of 25 percent or less should be established.

The number of fire incidents investigated went from 505 in fiscal year 1984-85 to 562 in the current year for an 11 percent increase. The increase is perhaps attributable to the serial arson fires which occurred in the Castro/DuBoce area during the latter part of the fiscal year. In 1984-85, incendiary fires declined 10 percent over the previous year. During this period, accidental fires declined 25 percent from 113 to 84 with incendiary fires up 21 percent from 342 to 414. This increase in incendiary fires is of particular concern.

December 12, 1986

Again, I must state my concern about the accuracy and completeness of data coming from the Plan Checking Section. The Fiscal Advisory Committee is looking into the operations of this unit and will make recommendations on ways to improve the existing process. The Commission should implement these recommendations. This is extremely important because problems in this area have been pointed out now for over the past two years.

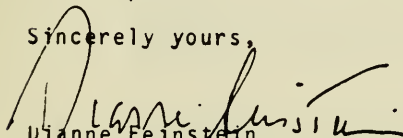
The performance of the Arson Task Force continues to be of concern. The clearance rate on cases has dropped from 44 percent in FY '83-84 to 36 percent in the past fiscal year. This decrease, in part, may be the result of the unresolved serial arson cases. However, an analysis needs to be undertaken to clearly identify what is causing this consistent reduction in performance. At the same time, I am pleased to see that the conviction rate has gone from 90 percent in 1984-85 to 94 percent for this year.

The Department is still experiencing shortages in its daily staffing primarily due to the absence of an entrance list. Daily absences averaged 16.3 percent for the year. In view of the department's inability to hire new firefighters it is extremely important that the use of sick and disability leave continue to be monitored in order for the Department to achieve its objective of maintaining daily absences at 15% or less.

Your staff has advised that with 33.7 percent of the year elapsed 87 percent of the funds allocated for overtime has been expended. Additionally, I am told that based on current expenditures approximately \$10,000,000 in overtime funds will be necessary in 1987-88 to maintain a 315 daily staffing level. With the Memorandum of Understanding coming up for renewal soon, it is imperative that we look at any possible ways to reduce this expenditure while at the same time continuing the same level of coverage we currently have.

I recognize that the past year was a difficult one for all of you. Again, I thank you for your deep commitment. In the coming year, however, we will be challenged even more and I ask your cooperation and support in building a department of which we can all be proud.

Sincerely yours,



Dianne Feinstein
Mayor

DF/BAC

cc: Chief Emmet Condon
San Francisco Fire Department . . . 057

March 4, 1987



Ms. Esta G. Soler, Chair
and Members
Human Rights Commission
1095 Market Street, Suite 501
San Francisco, California 94103

Dear Commissioners:

I have reviewed the MBO performance of the Human Rights Commission for the 1985-86 fiscal year. The Commission successfully achieved greater than 60% of the objectives set for the fiscal year.

Significant areas of performance are as follows:

- H.R.C.'s implementation of the MBE/WBE/LBE Ordinance is in its second year and great strides have been made to increase participation of the targeted populations. 25.04% of total city contract dollars were received by M.B.E.'s against a target of 30%. Performance in FY 84/85 was 15%. A 10% target was established for W.B.E.'s with 4% actually realized.

I encourage you to work closely with city departments to increase contracts to Women's Business Enterprises. FY 86-87 performance should reflect the improvements. It was noted that you exceeded your target to respond to 300 requests for technical assistance. Perhaps efforts to provide technical assistance to increase contracts to W.B.E.'s will yield favorable results.

During Fiscal Year 1985-86, 366 M.B.E./W.B.E.'s were certified, short of the target of 760 and the performance in FY 84-85 when there were 1000 certifications. It was noted that the target to limit the number of days to 45 for certification was missed by 15 days as 60 days were required. The Commission obviously expects to improve performance as the certification period for FY 86-87 has been reduced to 30 days.

One significant concern is that only two of the targeted 49 department plans were approved in FY 1985/86. By comparison, all 49 department plans were approved in FY 1984/85. Performance in this area must be improved!

- Lesbian and Gay outreach and services is provided through complaint receipt, mediation and technical assistance. In each of these areas established targets were exceeded. Sexual orientation complaints received was 137 and exceeded the target of 120. In FY 84-85, 93 complaints were received. With greater public awareness, it can be expected that the trend toward increased complaints will be maintained. AIDS related complaints show the same trend.

The target of 25 was exceeded by 40 and the performance of FY 84-85 was exceeded by 45 complaints. Mediated disputes were resolved as targeted and technical assistance was provided in response to 900 requests, 300 above the projected target.

performance of 1021 in FY 84-85 and far in excess of the annual target of 822. Targeted time-lines to resolve complaints are consistent with performance in FY 84-85. The median number of days to resolve informal disputes is 5 days, formal disputes is 18 days and official disputes are resolved within one year or 365 days.

- Dispute Resolution. In FY 85-86, twenty-two community issues were studied, contact was made with 48 government and community groups and 11 community problems were mediated. In the first two quarters of FY 86-87, five issues were studied, 20 agency/group contacts were made and 2 community problems were mediated. This level of performance should result in the attainment of all related FY 1986/87 targets which have been lowered to reflect staffing realignments.
 - o The Clearinghouse is commended for its efforts to maintain community peace while conducting fundraisers to support its various activities. Your cooperation is appreciated during these times of economic constraint.
- Housing Related Complaints exceeded all targets. The target to investigate 325 housing complaints was exceeded by 1 but was less than performance in FY 84-85 when 336 investigations were conducted. Tenant-landlord complaints totalled 205, above the projection of 200 yet less than the 319 complaints investigated in FY 84-85. In the first two quarters of 86-87, 134 of 200 expected complaints have been received, at this rate the target for complaints will be exceeded in the current year.

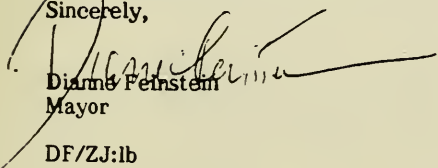
Technical assistance for housing requests totalled 601 and the target was 600. In FY 86-87 the target was reduced to 400 and through the first two quarters performance is 286. Again, performance will exceed the target if maintained at the existing level.

- Intergroup Clearinghouse. Actual Clearinghouse meetings held were 27, exceeding the target of 16. All targets for needs assessments, community intergroup education projects, membership recruitment and direct action projects were met. Six community intergroup education projects were realized, again exceeding the target of five.

The Human Rights Commission is ably making strides toward the mandate to enforce non-discrimination in city, community and housing services. I encourage you to continue to enforce M.B.E./W.B.E., affirmative action compliance and to expand protection from discrimination to the largest number of citizens. Clearly coordination of your activities with other city departments will yield a more comprehensive, broad based approach to the problems.

Congratulations on your progress. Keep up the good work.

Sincerely,


Diana Feinstein
Mayor

DF/ZJ:lb

cc: Grant Mickins III, Director
Human Rights Commission



December 11, 1986

Dennis Sweeney, Chief
Juvenile Probation Department
City and County of San Francisco
375 Woodside Avenue
San Francisco, CA 94127

Dear Mr. Sweeney:

Having completed the annual review of Juvenile Probation's Management-by-Objectives Performance Report for Fiscal Year 1985-86, I would like to take this opportunity to share with you some of my observations.

Before doing this, however, let me say that I fully understand that this year has been a very challenging one for you, the Judiciary, members of the Juvenile Justice Commission and your staff. I commend you all for the efforts you have put forth to address the concerns identified in a report from the U.S. Department of Justice and for the many hours devoted to responding to public concerns after the unfortunate suicide at Juvenile Hall. I hope that the subsequent departmental reorganization has proved to be beneficial and will provide better supervision for the youth detained at your facility.

Following are the highlights of my reactions to the Department's reported performance during the past fiscal year:

- * At 1,518 the number of non-law violators housed at Y&C almost doubled in 1985-86 over the previous year, when 766 status offenders were being housed. The major contributing factor to this increase was the out-of-county and out-of-state runaway population.

This problem, I understand, will be addressed by the acceptance of a grant from the Office of Juvenile Justice Programs in Washington, D.C. which will explore options for removing all status offenders from the Youth Guidance Center by contracting with private organizations for their services. This concept, as you well know, has long been

December 11, 1986

advocated by several youth advocacy groups and has been partially implemented by the Status Offender Network funded through my Criminal Justice Council.

- * Performance in the Community Services Program continues to be high with 81.4 percent of youth successfully completing their public service obligations. Performance for the past two years has been 85 percent and 75 percent with a target of 60 percent or more. This program has proven to be highly successful and a valuable alternative for the Judiciary.
- * All objectives were reported as being met and exceeded for the Log Cabin Ranch Program. Your MBU data indicates that of all program terminations, 93 percent were positive, and 66 percent of graduates did not come back into contact with the Court within one year of graduation. This compares favorably with your target of at least 65%. In past years, we have asked that this data be collected and I am pleased to see that you have a system now in place to report on recidivism of youth at Log Cabin Ranch.

The Vocational Training Program continues to be a valuable asset to the Ranch. During the year, 74 percent of the Ranch population received occupational classroom training with 58 percent placed in unsubsidized jobs. I ask that objectives also be added to reflect the impact of the Drug Division Program recently implemented at the Ranch.

In my letter last year, the need to centralize the MBU function in your Business Manager's Office to assure uniformity, accountability and compliance throughout the department was discussed. Here again, the department experienced great difficulty during the year with the long illness and subsequent death of the Business Manager. I again bring to your attention the importance of submitting complete accurate and verifiable data and ask that you pay particular attention to totally integrating the system within your Department to assist in the day-to-day management of your operation.

Dennis Sweeney, Chief
Page Three

December 11, 1986

Again let me say that I recognize the year has been difficult, but I believe a great deal has been learned as a result of these experiences. We are also quite fortunate to have received \$3,000,000 from the State to enable us to systematically plan for the needs of our youth. I look forward to the report from Jefferson Associates in this regard.

Warmest regards,

Sincerely yours,

Dianne Feinstein
Mayor

DF/BAC:83080

cc: The Honorable Daniel Weinstein, Supervising Judge
Juvenile Court



December 17, 1986

Mr. John Patrick Short, Chairman
and Members
San Francisco Parking Authority
25 Van Ness Avenue #410
San Francisco, CA 94102

Dear Mr. Short and Members:

I have completed my review of the Parking Authority's FY 1985-86 MBO performance. The implementation of several MBO objectives relating to oversight of existing parking facilities appears quite successful:

- o The Authority recorded a 100% success rate for performing quarterly reviews of each facility, thereby insuring that timely repairs are made when and where necessary;
- o Performed regular monthly reviews of Parking Meter Revenue as well as Security and Theft reports from the Tax Collector and Department of Electricity, respectively;
- o Maintained sufficient oversight to ensure that all facilities are cleaned three times weekly.

I am pleased by the Parking Authority's determination to see ten new neighborhood parking facilities created. The groundbreaking for the 212 stall Lombard Street garage was an important step, and construction should be completed by October of 1987. Good work! Your agreement with the Bernal Heights Foundation and Standard Brands, Inc. for construction of 95 metered stalls in the Outer Mission was another important achievement. As you know, \$960,000 already has been appropriated for this project. It also is encouraging that an agreement has been reached with the School District for surfacing of the former playground north of the Laguna Honda School on 7th Avenue near Irving. Funds have been appropriated for creation of 26 stalls at the site.

Negotiations continue for several other neighborhood sites. Acquisition of the lot at Polk and Bush streets is near completion, and \$2,186,000 has been appropriated. The Real Estate Department continues to negotiate for parking in North Beach, and I understand that your staff is working on a second possible site in that area. In Chinatown, the Authority continues to negotiate a long-term lease for the North Beach garage and surface lot at Vallejo Street and Churchill Alley. Finally, negotiations are taking place for a lot in the California-Fillmore area (across from the Grand Central Market). Each of these represents an important opportunity; please do your best to see the negotiations successfully concluded.

Mr. John Patrick Short
December 17, 1986
Page 2

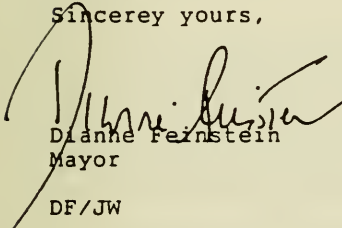
Finally, the Parking Authority continues to attempt to locate workable sites in the Clement Street area, in the Castro-Upper Market area, and near 24th Street in Noe Valley. Each of these areas has severe parking problems; you can count on my support for projects/proposals which will improve the situations.

I note that for the past fiscal year, over 83% of the Authority's contract dollars went to MBE's, while over 14% went to WBE's. This is excellent. Please include your MBE/WBE performance as a specific MBO objective in your quarterly reports.

As you are aware, the Police Department is zeroing in on double-parking and other causes of congestion in the Downtown area. As always, your support and suggestions for ways to improve parking and traffic conditions are most welcome here.

Congratulations on another fine year. Please let me know if my office can be of help to you.

Sincerely yours,



Dianne Feinstein
Mayor

DF/JW

cc: Mr. Ray King, Director
Parking Authority



October 10, 1986

Honorable Jerry E. Berg, President
and Commissioners
Board of Permit Appeals
Room 154A, City Hall
San Francisco, California 94102

Dear Commissioners:

I have completed my review of your MBO performance report for FY 1985-86. Once again, your performance has been outstanding.

The citizens of San Francisco are well served by the Board of Permit Appeals and the Board has gained a reputation for fairness, thoroughness and expeditious decisions. I want to congratulate you, Jerry, in your role as President, for the manner in which meetings are conducted and the commissioners who personally attend to each agenda and hold informal meetings outside of your regular sessions in an effort to resolve disputes.

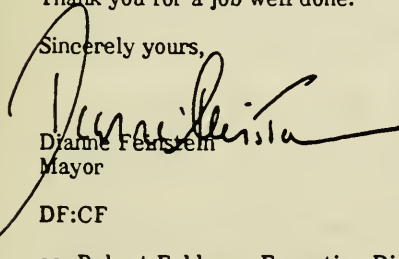
You continue to improve your performance against your MBO targets. Three years ago you set a target of issuing 90% of all final written decisions within forty-five days of your final hearing. You reached that target and the target was revised to issue 95% of all written decisions. Again, that target was met, and another upward revision was made for the past fiscal year: written decisions would be issued within 30 days, not 45. I am pleased to see that this goal was met. You also continue to meet your goals for contracting with minority/female/and local business enterprises.

Your agendas have been heavy and difficult. While the total volume of permits increased less than 1% in the last fiscal year, the complexity of cases continues to increase. New word processing equipment was included in your budget for this year with the expectation that it will ease the pressure on staff and allow you to retain your current excellent performance.

The news of Robert Feldman's illness comes as a great sadness, and I wish him all the best for a speedy recovery. He has provided you with excellent staff services, and he sets an outstanding example as a department head. My office will make every effort to assist you during his temporary absence.

Thank you for a job well done.

Sincerely yours,


Dianne Feinstein
Mayor

DF:CF

cc: Robert Feldman, Executive Director



February 6, 1987

The Honorable Dr. David Sanchez, President
Members, San Francisco Police Department
Hall of Justice
850 Bryant Street
San Francisco, CA 94103

Dear Commissioners:

The annual review of the Management-by-Objectives (MBO) Performance Report for the Police Department for the 1985-86 fiscal year has been completed and I wish to share my observations with you. I have also examined current fiscal year results where troublesome trends have been observed.

Increased emphasis on discipline and supervision this past year has improved police accountability to the public. A measure of this significant improvement is the reduction in the number of charges of police misconduct. Office of Citizen Complaints received 1,400 complaints last fiscal year, 818 less than the previous year. Cases investigated and found to have merit are being aggressively pursued. I am particularly pleased to see the disciplinary trend continue into the present year; since July 1986, the Department has brought over 300 disciplinary cases to the attention of the Chief.

Improvements are evident in other areas of the Department. Successful programs are underway in the traditionally difficult enforcement areas of parking and traffic control as well as in narcotics abatement. This is the product of consistent and thoughtful implementation of the Chief's initiatives by the Department's mid-management ranks. They are to be complemented on their good work. Management's more recent effort to institute one-officer patrol cars around the city has my full support. It will not only make more efficient and productive use of police resources, it will increase foot patrol coverage and enhance patrol car visibility.

In my MBO review last year, I cited two areas, in addition to improvements in accountability and supervision, for increased emphasis. The Department has met the challenges identified in my letter of improving fiscal control and reducing overtime costs. Excellent progress has also been achieved during the year in opening a new academy, building a new Northern Station and possible replacement of Potrero Station.

February 6, 1987

Two key indicators of MBO performance, however, show slippage this past year. Response time has increased slightly and disability time lost has increased substantially. These trends must be corrected in the current year, and I would appreciate your written response on what action will be taken.

I would also appreciate your response to deployment of footbeat officers, the decline in Bureau clearance rates, and the decline in narcotics arrests during the second half of the fiscal year despite increased narcotics complaints.

I. POLICE FIELD OPERATIONS

The public reported 57,574 incidents of serious crime to the police during the 1985/86 fiscal year. This is a 5% decline from the previous year and one of the lowest in several years. Sixteen percent (16%) declines were registered in both aggravated assault and burglaries. Significant declines occurred in every major category except motor vehicle thefts and homicide. Total arrests for all crimes increased by 1,600 without an increase in staffing -- 88,000 to 89,632.

A. On-Street Crime

Despite the drop in reported serious crime, on-street crimes of pursesnatch, auto theft, and robberies increased by 5%. For the second year, Ingleside is showing a large gain of 20% in this category. Richmond District also reported a 20% increase; Potrero a 16% increase. Once again, on-street crimes decreased in Central station.

Approximately 30% of reported serious crime occurs on or near the 40 foot beats walked by officers. Total crimes around beats declined by 4% during the second half of the year. On-street crimes on footbeats decreased for Central and Northern districts while they increased in the Potrero and Ingleside districts. This makes the deployment of additional footbeat resources in the southern part of the city a high priority in the coming months.

February 6, 1987

B. Response Time

Citywide emergency response time increased for the first time in many years. For the fiscal year 1984/85, the Department achieved the closest citywide average response time to its two minute goal. Two minutes and six seconds was measured that fiscal year. Last fiscal year the Department registered a slight decrease in response time to crimes in progress of six seconds, from 2:06 to 2:12 minutes.

Richmond and Ingleside showed serious deterioration of 15 to 20 seconds on every watch. Northern exhibited increases of 8 to 10 seconds per watch. No watch showed significant improvement.

Two reasons account for the six second average deterioration in "A" calls:

1. Dispatchers are not getting calls to units as fast as previously. This may be due to the fact that a Captain has not been detailed to Communications Division since April of 1985.
2. Day watch officers are taking too much time on administrative runs, leaving fewer units to respond to urgent calls. Daywatch "A" emergency response time increased from 2 minutes and 11 seconds to 2 minutes and 20 seconds; swing watch increased an average of seven seconds.

A review of the first six months of this fiscal year shows a continuation of this trend. Citywide response time for top priority calls increased another second over FY 1985-86. Lower priority calls increased another two seconds. These results are shown in Attachment A at the end of this letter.

The Department has demonstrated that the two minute response time is achievable; I expect that the target of two minutes or less is achieved by June 1987. By that time, 28 new cars will be placed in service so that the Department can begin moving to one-officer cars on day watch and mixed staffing for cars on the other watches. This should improve response times to crimes in progress by as much as 30 seconds, to one and one-half minutes.

February 6, 1987

C. Traffic Enforcement

Tactical units, station-based officers and motorcycle units combine their efforts to enforce moving traffic laws. Injury and fatal accidents citywide held constant at 6,000 after a major increase the previous year despite increased citations. Solo officers increased citations from 51,129 to 55,500. District station cars also increased their citations dramatically in fiscal 1985/86. Average citations per officer per month tripled for all watches at Central and Northern stations. Many other watches doubled their productivity, including Southern, Potrero, Ingleside and Taraval. Mission productivity, already fairly high, changed the least.

This campaign must be kept up as driver attitudes and courtesies continue to evidence deterioration. Light "punching" or entering intersections after the stop lamp has turned red can be witnessed at any major intersection during busy times of the day. Strong enforcement efforts must continue.

D. Parking Enforcement

The Department's Parking Control Officers have made a special effort to target double parked vehicles as a hazard to moving vehicles and detriment to traffic circulation. Double parked vehicles received 7,520 tags per quarter last fiscal year, over twice the number written during the previous year. Productivity increases were realized by the regular PCO assigned force, issuing an average of 17 citations per hour, 2 more per hour than in the previous year. Preferential parking zones and street sweeping routes also recorded a slight productivity increase in citations issued per PCO.

E. Muni Transit Detail

This detail issued a maximum number of citations, 8,839, in fiscal year 1983-84. The following year, one-half of the officers were moved out of plainclothes details and into uniforms. Citations fell to 4,000 and have remained at that level since then because of the preventive visibility of uniforms on buses. Citations for parking in bus zones written during this period have increased from 7,328 to 16,675 last year to 24,230 in

February 6, 1987

the most recent fiscal year ending June, 1986. The detail exceeded a new objective it set for itself to write 1,000 red light moving violations; 1,353 were written last year.

F. Tactical

The three platoons in this unit work on horseback and motorcycles and in plainclothes, as well as uniform. Overall felony arrests are down slightly by 100 and misdemeanor arrests are up by the same amount. Moving and parking citations are up for the 3rd platoon but down for the 1st platoon because of staff reassignments. By combined enforcement efforts, street crimes in Area B (Western Addition) declined by 16% over the previous year. The tactical unit also successfully disarmed all 76 explosive devices found, handled 11 SWAT calls without injury to officer or civilians, and rendered assistance in 107 major crowd situations. All training objectives were met.

II. INVESTIGATIONS BUREAU

Clearance rates are an important measure of Bureau success. The rate is determined by the number of cases solved or dismissed from among those assigned for investigation. A review of case assignments and clearances shows some improvements from last year and outstanding work by Sex Crimes and Fraud details.

I ask that the Department increase its efforts to improve clearance rates this fiscal year.

A. Personal and Property Crimes

- * Homicides increased by 27 cases or 33%, from 80 to 107; case clearances increased by 7 cases, from 51 to 60. Consequently, the case clearance rate declined from 64% to 56%.
- * Robbery received and assigned more cases than during the prior year, but was only able to clear nearly the same number of cases. Clearance rates dropped from 65% in Fiscal 84-85 to 60% in 85-86.
- * Aggravated assault clearance rates increased slightly from 82% to 86% but fewer cases were assigned for investigation.

February 6, 1987

- * Arson received many more cases (802 as opposed to 656) for investigation, assigned and cleared more cases to maintain a 40% clearance rate.
- * Sex crimes staff investigated 99% of cases received in fiscal year 1984-85, but only 97% last year. Clearance rates increased from 59% to 60%.
- * Auto theft cases received for investigation decreased slightly from 24,529 to 23,207. Cases assigned decreased but clearance rates increased from 69% to 83%.
- * Burglary cases received for investigation increased from 13,511 to 15,074 and cases assigned increased accordingly, but the clearance rate only showed an increase from 71% to 72%.
- * Fraud clearances increased from 93% to 97%, although this increase may be explained by a new procedure for counting case assignments.
- * Juvenile street robberies have remained at last year's level of slightly over 1,000. Case clearances declined, however, from 73% to 65%. Child abuse cases have shown another considerable rise from 2,040 in 1983/84, to 2,445 in 1984/85, to 2,895 last year. Case assignments and clearances have also increased; case clearance rates increased from 82% to 93%.
- * 6,820 hit and run cases were received and 46% were assigned for investigation. Of those investigated, 75% were cleared.

B. Vice Crimes

- * Narcotics arrest by the Vice Division leveled off last year at 3,821; 124 more than the previous year. Arrests fell off during the second half of the year as overtime funds diminished. Arrests appear to be staying at a lower level of 2,800 per year. Narcotics complaints increased from 1,241 to 1,490. Arrests must be increased to respond to complaints and control street dealing and use. Higher quality arrests are reflected in the greater re-bookings rate of 65% over the preceding rate of 54%.

February 6, 1987

- * Greater emphasis was placed on police decoy arrests for solicitation of prostitution as a means of controlling prostitution. Consequently 647(b) arrests increased from 2,106 to 2,563.

III. SUPPORTIVE AND ADMINISTRATIVE BUREAUS

There have been a number of shortcomings in the support operations that warrant your attention;

- * Fleet vehicle maintenance by Central Shops deteriorated from the excellent record fiscal year 1984/85.
 - Fleet down time increased from 6.0% or 6.6%.
 - Average vehicles unavailable per day due to repair increased from 29 to 32.
 - Average length of time out-of-service per vehicle increased from 3.1 days to 5 days. Mechanical repairs averaged 3 days per vehicle, body repair averaged 12 days, an increase from 9.1.

Removing emergency vehicles from service for over two weeks for body repair is unacceptable. I am pleased to see that the department has managed to reduce this time in the current year to 4.5 days for marked vehicles and 10.3 days for unmarked vehicles. If this standard cannot be maintained, private repair contracting should be reviewed as an alternative.

- * The Department must re-emphasize the need for officers to respect their vehicles; 15 vehicles were damaged beyond cost-effective repair as compared to 6 the previous year.
- * Disability time has jumped from 2.7% to 4.0% after years below the 3% benchmark. This translates into an additional 19.5 officers absent per day. The reason for this sudden and dramatic increase should be investigated and corrected immediately.
- * The Records Unit processed the same number of incident reports at 40,000 while allowing the average end-of-month backlog to increase from 73 to 136.

Numerous instances of good productivity and hard work to meet objectives are also evident in the technical and administrative support offices.

February 6, 1987

Permit Bureau received processed 3,200 applications last year, the first year this count has been kept. Five permit procedures manuals were also produced during this time.

- * The Department exceeded its 10% MBE contract goal by 50%, to reach 15% participation. WBE participation exceeded the 2% contract goal to reach 6.8%.
- * The Fingerprint Computer increased suspect print identifications, both identified and latent, from 6,315 to 6,507 average hits per quarter. 21% of suspects are now identified, almost double the number in 1984. Latent fingerprint hit rates continues to climb from 14% in fiscal year 83/84 to 18% in fiscal year 84/85 to now 21%.
- * The Taxicab Detail received and reviewed 848 public complaints of service. After a start late in the year, 135 cabs inspections were completed.
- * The Psychiatric Liaison Unit has established an effective crisis response team as well as created an on-line file of 4,470 dangerous suspects that may be immediately accessed by all officers.
- * The Court Liaison Unit has centralized processing and service of officer and civilian subpoenas to minimize overlap and wasted time.
- * The newly established Report Review Unit identified 198 police incident/arrest reports requiring supplemental information or clarification prior to case investigation.
- * Despite increased workloads, the Crime Lab has been maintaining a 99% rate of test completion by due date.

IV. DISCIPLINARY PROCEDURES

Disciplinary cases are initiated by either Management Control or by the Office of Citizen Complaints (OCC). The OCC logged in 1,400 complaints against officers, 818 less than the previous year. 435 of these complaints were investigated fully and referred to Management Control, several times the number of the previous year. Management Control also initiated 55 investigations against officers.

February 6, 1987

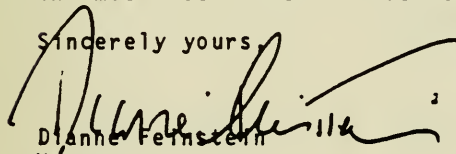
A total of 324 of the 445 complaints investigated (73%) were sustained, with 2/3 of the cases resulting in a reprimand as disciplinary action. The number of cases referred for Chief's hearing decreased from 110 to 52 during fiscal year 1985/86 but all of these cases were issued Chief's suspension orders. Only 10% were suspended after Commission hearing the previous year. In addition, 5 officers resigned and 5 were terminated after Commission procedures.

* * * * *

The Department has begun an expansion of one-officer cars that promises fundamental improvements in police services. After initial investments in training and fleet expansion, our citizens can expect a doubling of footbeat patrol coverage, and further decreases in emergency as well as non-emergency response time. Officer availability is increased not only by added vehicles but also by overlapping watches during peak demand periods. Improved parking and traffic enforcement (and revenues) can be expected as another benefit.

These benefits will not come without effort. I expect the departmental managers to set new, higher performance standards in each of these areas. I also will watch to see that disability leave does not exceed 3% in this current year. I would like to see some tough objectives set in these areas so that we can make the most cost-effective use of our police resources.

Sincerely yours,



Dianne Feinstein
Mayor

DF/PG

cc: Chief Frank Jordan
San Francisco Police Department

ATTACHMENT A

POLICE RESPONSE TIME; 1984 - 1986

I. "A" PRIORITY CALLS

	<u>1984-85</u>	<u>1985-86</u>	<u>1st Half 1986-87</u>
<u>City Wide</u>	2.06	2.12	2.13
Midnights	2.04	2.09	2.10
Days	2.11	2.20	2.21
Swing	2.05	2.12	2.13

II. "B" PRIORITY CALLS

	<u>1984-85</u>	<u>1985-86</u>	<u>1st Half 1986-87</u>
<u>City Wide</u>	3.39	3.58	4.00
Midnights	3.32	3.42	3.44
Days	3.52	4.14	4.14
Swing	3.38	4.04	4.07



CITY AND COUNTY OF SAN FRANCISCO

HALL OF JUSTICE

850 BRYANT STREET

SAN FRANCISCO, CALIFORNIA 94103

ADDRESS ALL COMMUNICATIONS:

FRANK M. JORDAN

CHIEF OF POLICE

IN REPLY, PLEASE REFER TO

OUR FILE: 7200jk6

March 10, 1987

The Honorable Dianne Feinstein
City and County of San Francisco
City Hall, Room 200
San Francisco, CA 94102

Dear Mayor Feinstein:

After reading your letter to the Police Commission regarding the Department's Management-By-Objectives (MBO) Performance Report for the 1985-86 fiscal year, I am pleased with your acknowledgement of our overall success. I am also aware of the shortcomings the report identified.

The critical objectives that did not reflect improvement were in the areas of response time and disability leave time. In this letter I will also address increases in on-street crime, reduced clearance rates in the Investigations Bureau, fleet maintenance downtime, inconsistent data regarding citizen complaints, and the Records backlog.

INCREASED RESPONSE TIME

Our overall response time is up slightly. The increase does not appear to be caused by slower dispatch time. Dispatch time for Class A runs increased for only eight of the 27 watches. Seventy-five percent of the increases were by no more than a tenth of a second. The city-wide average of 58 seconds is identical with that of the prior year. The problem appears to be with travel time.

City-wide travel time appears to have increased by six seconds. (It should be noted that we did not capture the travel times for the full 12-month period of FY 84-85, and therefore response time comparisons are based on a partial year sample which may not be representative.)

Our data indicates that the three districts identified as having response times which deteriorated (Richmond, Ingleside, and Northern) actually had response times of two minutes. The Ingleside district midnight watch had the slowest travel time at one minute and 35 seconds.

I have directed the Deputy Chief of Field Operations to take appropriate actions through his command staff to reduce travel time by increasing the number and availability of patrol units responding to "A" priority calls by aggressively managing the length of time spent out of service handling calls. I also expect significant improvements in travel times as those stations adopt the 4/10 work schedule with one-officer cars on the day watch.

I have also initiated a study of staffing patterns regarding workload and resultant travel time. According to the findings, we will reallocate personnel to improve travel and, therefore, response times.

INCREASED DISABILITY LEAVE TIME

The percentage of the sworn strength on disability leave (DP) increased in fiscal year 1985-86 to 3.75% from 2.7% in the previous year. We have been concerned about this trend and through aggressive management have decreased the rate to below three percent.

I directed our Personnel Division to conduct a study of the staff currently on disability leave to identify common characteristics, the causes of disability, and the commands which have the greatest incidence of disabling injuries. We will continue to monitor and aggressively manage disability leave.

I have implemented the Employee Assistance Program in this Department to help members identify and address the personal and professional problems that interfere with their work performance. I expect this program to improve morale and prevent many stress related disabilities.

INCREASED ON-STREET CRIMES

There were increases in on-street crime in the Richmond, Potrero, and Ingleside districts. (It should also be noted that three districts - Central, Southern, and Northern - reduced the incidence of on-street crimes.) It appears that the kinds of street crime increases varied with the district: Pursesnatch in the Ingleside, Street Robbery in the Potrero, and Assault in the Richmond.

I have decided that the Department will reevaluate "preventable street crimes" in the MBO in order to focus on each important indicator, considering which crimes should be included in the category and then identifying each separately in the report. District commanding officers will be able to allocate personnel and resources according to the identified problems and areas. Increased patrol in specified areas should have positive crime prevention impacts.

As indicated in your report, foot patrols have a direct impact on the incidence of on-street crimes. I have directed the Deputy Chief of Field Operations to study the redeployment of foot beat officers to the areas where the need is greatest.

Furthermore, I have instructed the Commanding Officer of Park Station to redeploy officers to foot patrol in areas where the need is greatest as a pilot project for all district stations as they make the transition to the 4/10 plan.

REDUCED CLEARANCE RATES

Your letter identified two of the nine General Investigations sections as having reduced clearance rates; the other seven must be credited for their significant improvements in case management. The two sections, Homicide and Robbery, did better than their clearance rates may indicate.

In Homicide the same number of inspectors (14) handled 27 more cases or a 34% increased workload and solved 17 more homicides than they did in the prior year. Eight of the solved cases were related to the Revere Street fire and were cleared just after the end of the fiscal year because of intensive efforts made during the latter part of FY 1985-86. Counting these cases, the section maintained a 64% clearance rate, equaling last year's rate.

Therefore, what appeared to be slippage was actually a noteworthy success.

The Robbery Section was reorganized to provide more services to the public. The same number of inspectors were assigned almost 300 more cases, and cleared more cases than in the prior year.

In the Vice Crimes Division narcotic complaints increased relative to the number of arrests. Narcotic complaints are an ambiguous measure of actual criminal activity. It may seem that complaints increase in proportion to the incidence of crime, which increases in relation to a decrease in enforcement, but this is not necessarily the case.

Our improved response to narcotic complaints motivates residents to be more diligent in their complaints because they feel more confident of results. We are also receiving more complaints per incident because the Department has aggressively stimulated public involvement in narcotic law enforcement by establishing a Drug Hotline.

Therefore, the 20% increase in complaints in this area is indicative of improved communication and community relations.

I am also pleased with the 12% increase in the rebooking rate for narcotic arrests, indicating a significant improvement in the quality of cases submitted to the District Attorney for prosecution.

I expect the narcotic crime rates to decline because of greater community involvement and the improved quality of arrests.

GENERAL ADMINISTRATIVE ISSUES

Issues were raised in your letter regarding our administrative support functions.

Fleet Maintenance

The Department is coordinating its fleet maintenance activities with the Central Shops through its new foreman to reverse the disturbing increase in vehicle downtime. I have directed our Fiscal Division to conduct vigorous, persistent monitoring and follow-up of vehicle repairs as well as a cost benefit analysis of alternative private contractors.

We are now monitoring the number of accidents officers are involved in and using the data in our Performance Improvement Program (PIP) monthly evaluations of their individual performance.

We have also changed the response codes available to patrol officers, eliminating high-speed responses without the use of red lights and sirens. This measure should reduce vehicular accidents and excessive damage costs, although it may also cause increased response time in non-emergency calls.

Citizen Complaints Against Officers

The figures provided in your letter for OCC complaints filed, investigated, and referred to Management Control are not consistent with available data. According to our review, OCC received 1332 complaints against officers. One hundred and sixty cases were fully investigated of which 23 were sustained and only one was presented to the Police Commission. No cases were referred to Management Control by OCC. The 445 cases alluded to in your report were generated by either the Management Control Division, the legal office or the police Commission

(In the first seven months of this year, OCC has sent 12 cases to Management Control. Only two of these have been confirmed as sustained cases and assigned to Management Control investigators for follow-up.)

Management Control initiated 78 (not 55) investigations of officers and 123 investigations of civilian staff. Of the 445 complaints processed, 324 cases were sustained with the majority resulting in disciplinary actions ranging from counseling to suspension. Our records indicate that 31 of these cases were referred to the Police Commission for disciplinary action.

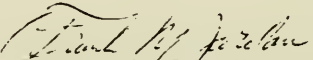
The Records Backlog

In fiscal 1985-86 the section processed 400 more records per month and had an increased backlog of 63 records for a total of 136. The section functioned with a staff shortage of 18% caused by a hiring freeze. Only 41 of the 50 budgeted positions were filled during the fiscal year.

I directed Captain Eidler to take the necessary steps to bring the section to full strength. The section is now fully staffed and is handling an average of 1200 more reports per month while keeping the backlog to approximately 50 reports or less per month.

I look forward to further discussion of the Department's performance and anticipated progress in selected objectives.

Sincerely yours,


FRANK M. JORDAN
Chief of Police



February 6, 1987

The Honorable Dr. Arthur Coleman, President
and Members
San Francisco Port Commission
Ferry Building
San Francisco, CA 94111

Dear Commissioners:

I have reviewed the results of the Port's Management-By-Objectives program for the 1984-85 fiscal year. The Port's efforts to modernize cargo handling facilities and the continued growth in container revenue tonnage during the past year is encouraging. However, because of the industry shake-out taking place in the Pacific shipping industry, strong marketing and management challenges remain ahead. Innovative efforts must be continued to market the Port's services and to increase the attractiveness of San Francisco as the preferred shipping point on the West Coast.

Your efforts and those of the staff to build our competitive position in the container shipping market have been extremely encouraging. Evidence of your success shows in the signing of Japan and Zim Lines last fiscal year, South Seas this year, and the prospect of States Lines before this year is completed. Work on container facilities at Piers 80, and 94-96 has progressed very well.

Despite strong Port staff and Commission efforts, the progress of other development projects has been disappointing; projects for Piers 45, 33-35, 30-32, and Piers 1-1/2, 3, 5 remain in various planning stages. The regular reports I receive do not reveal much progress. May I ask that you review procedures and "fast-track" these projects. Dates should be moved up wherever possible. Please consult with Dean Macris and this Office whenever you feel help is necessary. It is clear that legislation simplifying and clarifying the Port's ability to make seismic improvements to existing piers is necessary. I am prepared to work with you and BCDC to seek legislative changes to the McAteer-Petris Act that will allow reasonable development consistent with the legislative intent for these projects.

February 6, 1987

MARITIME

A number of years ago, the Port of San Francisco committed itself to modernize its cargo handling operations principally by developing its container handling facilities. Today, I am delighted that containerized cargo is shipped through a Intermodal Container Transfer Facility at the South Terminal. The importance of the decision to modernize container facilities is demonstrated in the past year's MBO data. Whereas the Port's handling of other types of cargo suffered a decline in revenue tonnage and overall Bay Area and West Coast activity was flat, container revenue tonnage handled by the Port of San Francisco experienced a growth of eight percent.

The Port signed two new lines, Zim and Japan Lines, in 1986. The Commission and staff are to be complimented on this tangible evidence of aggressive and successful marketing. I urge you to continue to emphasize attracting new lines to San Francisco. This modernization, combined with the effects of the Port's rail access improvements, strong marketing efforts, emphasis on attracting new liner services and providing improved service and facilities to existing carriers contributed to a second consecutive year increase in Bay Area market share.

With your continuing effort we can anticipate further increases in market share in the next fiscal year. I am convinced that this is possible since the inauguration of the permanent Intermodal Container Transfer Facility last November afforded an optimistic preview where 1,097 containers were handled in that single month compared to a FY 1985/86 average of 600 per month.

1. The Port's Share of Bay Area Cargo Increased by 5.5% Over FY 84/85.

In FY 1984/85 the Port's share of Bay area cargo increased 15%. This past fiscal year, FY 1985/86, the Port increased its market share another 5.5%. Because the volume of West Coast shipments increased only 1% in 1985, most of this growth in market share was obtained from surrounding Bay Area ports. This is hard evidence of successful marketing efforts by Port staff. The Port has little choice but to pursue this strategy as industry forecasts predict no new business in the Pacific for some time.

February 6, 1987

Weakening of the dollar has slowed the rate of growth in liner imports, a major contributor to tonnage, but has not as yet had the full reciprocal effect of increasing exports in like proportion.

2. The Overall Revenue Tonnage Average Increase Was 3% for FY 1985/86, Short of the 10% Target but Averaging a 45% Increase for the Past Two Years.

Container revenue tonnage is now 79% of all revenue tonnage where as recently as two years ago, FY 1983-84, its share was 66%. Overall revenue tonnage increased 3%. Container revenue tonnage increased 8% but bulk and breakbulk decreased.

I am confident that the MBO targets would have been met or exceeded were it not for 1) loss of military contract cargo by Lykes which led to its ultimate withdrawal of West Coast service, 2) a dramatic decline in coffee imports caused by a drought in Brazil and a volcanic eruption in Columbia and, 3) a decline in our breakbulk which included bulk cargo lost by Lykes Line, and diversion of a share of our newsprint to rail services.

REVENUE TONNAGE BY TYPE
PORT OF SAN FRANCISCO

<u>TYPE</u>	FY 83/84	FY 84/85	FY 85/86	1 year increase	2 year increase
Container	\$1,129,317	\$1,737,038	\$1,874,443	8%	66%
Break Bulk	\$ 419,938	\$ 440,908	\$ 368,700	-16%	-12%
Bulk	\$ 147,724	\$ 138,412	\$ 131,961	-5%	-11%
TOTAL	\$1,696,979	\$2,316,358	\$2,375,104	+3%	+40%

For the fiscal year ending June 30, 1985, San Francisco posted a container cargo revenue tonnage increase of 8%. This 8% increase in containerized cargo exceeds the calendar 1985 growth rate of both the total West Coast (5%) and the Bay Area (1%) in container cargo.

February 6, 1987

Growth in containerized tonnage is due to resumption of service by China Ocean Shipping Lines coupled with promotion of Chinese trade, as well as by the signing of Japan Lines and Zim Lines. Additional market share was obtained by Port lines capturing tonnage abandoned by lines that discontinued service to Oakland.

The loss of Lykes and the decline in Latin American cargo volume only point out again the absolute imperative that we must maintain a diverse revenue base.

3. Overland Common Point (OCP) Containerized Cargo Declined 11%, Despite an Objective to Increase this by 10%.

Overland Common Point (OCP), or Intermodal Cargo, refers to cargo originating from or destined to points east of the Rockies. The drop this year is attributable mainly to a 52% decline in rail movement by our major provider of OCP, Evergreen, and by the loss of Lykes Lines. OCP levels have nevertheless risen over the preceding 2 years during which time the Intermodal Container Transfer Facility was developed and attracted new users such as Zim and Japan Line.

The ICTF low tunnel clearance is reported to be one of the reasons for the decline in Evergreen tonnage through the Port. This tonnage cannot be recaptured until this clearance problem is resolved with Southern Pacific Transportation Company unless UP and SP convert to "spine car" single-stack technology. Please follow this issue closely and keep this Office involved and informed with appropriate dates as to when this obstacle will be removed.

4. Number of Container TEU's Handled Decreased 6%, Where Target Was 15% Increase.

Although revenue tonnage carried in containers increased, the number of containers handled (TEU's) declined, primarily because the movement of empty containers decreased by over 60%.

Prior to FY 1985/86 major liner services were repositioning much of their excess container inventory from Los Angeles/ Long Beach to San Francisco. Also, Lykes, during the previous fiscal year, positioned substantial empty equipment into San Francisco and its other ports during the start-up of its expanded container services. As such, the proportion of empty containers being discharged in the prior fiscal year was abnormally high.

February 6, 1987

While empties account for the majority of the decline in TEU's there was also a drop of about 3% in full TEU's, mostly due to the unforeseen departure of Lykes. Over the longer term, however, TEU's show growth of 50% over the last 2 years.

5. The Port Achieved a 33% Revenue Increase from Passenger Ship Activities, a Significant Increase Over the Stated 10% Objective.

Revenues generated by the cruise industry from wharfage and dockage showed an extremely healthy increase over FY 1984-85. Passenger levels grew by 21%, a very noteworthy increase, attributable to the overall health of the cruise industry as well as the popularity of the Alaskan market and Expo '86.

Revenue from passenger ship activities increased 33% this past year (FY 85/86) over the previous year and an average of 23% over the last two years. This growth, however, lags behind West Coast passenger ship industry growth.

One major area of concern is the trend toward reduction in passenger ship business. The number of lines calling in San Francisco declined by two last Fiscal Year, reflecting similar declines in the total number of ship calls and the days ships remained at berth. Ship calls, for example, fell from 77 in FY 1984/85 to 70 in FY 1985/86. The Commission must make modernization and expansion a high priority in the current fiscal year.

6. Ship-Berth Days for Ship Repair Activities Increased 119%.

Ship-berth-days increased from 613 to 1343. It should be noted, however, that the majority of this growth occurred in Todd Shipyard and Southwest Marine, which are on a fixed lease basis. As such, this growth did not have an equivalent positive effect on dockage revenue, but did benefit maritime employment.

COMMERCIAL PROPERTY

This division targeted FY 1985-86 revenues of \$16,055,000 for an \$800,000 increase over the prior year. Actual revenues fell short but less than 1% because revenue projections included revenue from new parking stalls which were not completed. The average Port rental rate per square foot increased from 9.3¢ to 9.8¢ to achieve the MBO target of a 5% increase.

February 6, 1987

For several years, the Port has been attempting to audit all of its lease and license agreements for compliance with key provisions pertaining to security deposits, scheduled increases and insurance. The audit is 78% complete; 100% of leases were completed as were 25% of licenses. The addition of temporary staff has been approved, to ensure this MBO target is met in FY 1986/87.

The Commercial Property Division also established objectives to review and revise office procedures for leasing and licensing, work order processing and parking collections. Targets set in each of these areas were met.

MAINTENANCE

Once again, the Port met a key objective to keep the container cranes in operation over 98% of the scheduled time. Operating costs were determined for the first year through a manual cost accounting system. The structural maintenance section completed only 75% of the pile wrap inspection program because of a lack of suitable wrapping material. Consequently, the preventative maintenance program was discontinued until improved pile wrap compounds can be located and tested.

The Utilities and Operations Section successfully developed plans to inspect utility lines underneath piers and wharves as well as to revamp the major Port buildings. Several staff training objectives were also met.

ENGINEERING

The Engineering Division achieved several important objectives relating to improvements at Fisherman's Wharf including ladder and gate access and water service for fishing boats. Lighting and electrical power improvements were delayed into the current fiscal year.

FINANCE/ADMINISTRATION

I understand that you were unable to proceed as scheduled with your data processing plan, due to the concerns raised by the Controller and EIPSC. However, now that agreement has been reached on system configuration, I trust that you will aggressively move to develop your cost accounting system.

February 6, 1987

The aggressive and comprehensive collections policy in the Accounting Section contributed to reducing accounts receivable to \$1.5 million by year end. Similarly, the staff achieved a 47% reduction in the number of accounts past due by 60 days over the previous year, despite a lower target of 15%. The Department is presently reviewing its collection procedures with the City Attorney to determine if default collections might be expedited.

CONCLUSION

Last year, I urged the Commission to make improved operating efficiency of the container terminals the top priority for the remainder of FY 1985-86. The first intermodal shipment was a benchmark success. Evergreen Lines succeeded in transferring its cargo to rail within the 48 hour scheduled departure time. Tunnel expansion or track realignment must remain a priority this year to allow double-stack train access and egress to the Port.

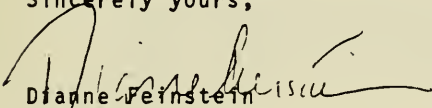
Pier 33-35 development continues to be stalled. I expect the Commission will do all in its powers to expedite the proposal selection, environmental review and development process.

Several Port administration issues also require your urgent attention. The Port must implement a standard cost accounting system to identify revenue and expense by facility. I expect this to be in place and operating by this time next year. I also want to see implementation of the Port's proposal for reorganization of the Property Section, a recommendation made by SPUR, the Board Analyst and the Civil Grand Jury. This should be in place by the time of your spring budget submission and mid-year MBO review.

Finally, I expect that the Port will continue to balance costs against revenues each year so that it does not have to rely on deficit spending to maintain operations. Any projected revenue shortfall should be accompanied by a plan to reduce spending.

As always, I stand by the Port to assist you in your efforts. I appreciate your commitment to performance and anticipate that your strong efforts will continue.

Sincerely yours,



Dianne Feinstein
Mayor

cc: Eugene Gartland, Executive Director
Port of San Francisco

677



November 5, 1986

Mr. James Scannell
Public Administrator Guardian
1212 Market Street, 3rd Floor
San Francisco, CA 94102

Through: Mr. Roger Boas, Chief Administrative Officer

Dear Mr. Scannell:

The Public Administrator/Public Guardian annual Management-by-Objectives Performance Report for Fiscal Year 1985-86 has been reviewed by me and I would like to share my observations with you. Performance in most areas has been exemplary. There are however some concerns which should be addressed. A summary of your performance is as follows:

Public Administrator

- More estates were closed (584) than were opened (303) generating revenues to offset the level of general fund support. Approximately 200 of the backlogged estate cases are processed annually to generate \$75,000 in revenues. Performance for FY 85-86 of 584 cases closed and 303 cases opened favorably compares with performance FY 84-85 when 198 estate cases were opened and only 143 cases were closed.
- The general fund support for this program was maintained at less than the target of 30% of the total budget: only 26% of general fund revenues were required. The total budget (\$609,854) was funded by revenues of \$450,000 and by the general fund at \$159,854. I appreciate this effort to keep General Fund support costs down.

Public Guardian

- Case management targets were met or exceeded. These measures assure that monitoring of clients health status and social protection can occur on a regular basis.

- o Contact was made at least three times to 100% of San Francisco wards.
 - o Financial statements were delivered to the Superior Court for each ward required by Probate Court.
 - o Client participation in the F.R.A.I.L. - C.I.T. program was increased by 26%, well above the targeted 10%.
- The minimum of 70% of clients assets were invested in high yield insured accounts: actual performance was 93%, slightly above the performance in FY 84-85 when 92% of client assets were invested. Based on performance, I ask that the target be raised to at least 90% for FY 86-87.
- The general fund support for this program was targeted at less than 25%. Actual performance was 51% with the program cost of \$607,307 being subsidized by \$300,000 in general fund support. While I understand that increased participation in non-revenue producing programs (F.R.A.I.L - C.I.T. Representative-Payee) will create a widening gap between program costs and revenues, I am greatly surprised by the dramatic increase in a single year. It was expected that there would be a gradual increase in general fund support as the number of participants grew and the revenue-producing backlog of estate cases diminished. Although I am concerned about the general fund cost increases, I recognize that there is a cost benefit in maintaining elders in their homes to prevent institutionalization, perhaps at Laguna Honda. I recommend that you closely monitor this program to determine how cost-efficiency can be improved in the immediate future.

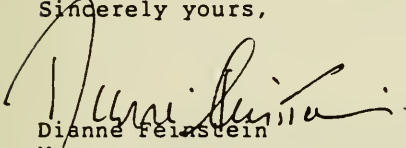
I am pleased to note that potential general fund increases will be curtailed by an increase in revenues of \$75,000 in 1986-87 and an increase of \$500,000 (one-time-only) in 1987-88.

Mr. James Scannell
Page Three
November 5, 1986

Overall, the department's MBO performance has been very good. The Public Guardian has made great strides in meeting the needs of low income seniors for a range of support services. However, it is unfortunate that you have not been successful in the implementation of the representative payee program at San Francisco General Hospital. My office will work closely with the Public Guardian Health Department to develop an interagency agreement. The agreement would provide representative payee services for patients who are unnecessarily in acute beds to be relocated to a more appropriate setting. In addition, I ask that you raise your targets for investment of client assets.

I am very appreciative of the effort and innovations you bring to the service of our City's residents, especially in preventing elder abuse and fraud abuse. I look forward to your continued excellent performance in the current fiscal year.

Sincerely yours,



Dianne Feinstein
Mayor

DF/ZJ:lm



December 30, 1986

The Honorable Jeff Brown
Public Defender
850 Bryant Street, Room 205
San Francisco, CA 94103

Dear Mr. Brown:

I have just completed my annual review of the performance of the Public Defender's Office for FY 1985-86, as reported under the Management By Objectives program. I want to thank you and your staff for your continued commitment and to compliment you for the achievements you have made over the past several years.

Your office continues to meet or exceed the goals in the following areas:

- o The training objective to provide 32 hours of training per investigator was met again. This in service training is intended to raise professionalism and competence in providing investigation support to the trial attorney and thus enhance the representation that is given to the client.
- o The juvenile court defense unit exceeded its target of utilizing community based agency participation for youth referrals in at least 120 juvenile court cases. This represents a 9% increase over last year and allows community input in the juvenile court process. This is better for the client than institutionalization. The department was able to utilize community based agencies in 131 cases. This incorporates a wide spectrum of expertise into juvenile court cases, thus improving the quality of representation that is given to the juvenile client.
- o The misdemeanor unit exceeded its goal to negotiate dismissals in over 20% of all new cases. The department successfully negotiated dismissals in 2,085 out of 9,614 new cases. This was 22% of all new cases. This is encouraging since the interests of justice and budget restraint require that a case be terminated at the earliest possible point in time.

HONORABLE JEFF BROWN LETTER
December 30, 1986
PAGE 2 OF 2

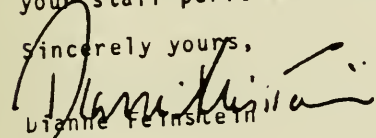
- o Comprehensive evaluations for every employee have been completed. Annual performance evaluations for each employee improve performance and organizational effectiveness.

Management and organizational changes in your office in recent times indicate that all targets are, as you are the first to declare, attainable. There is, however, an area where an important objective was not reached:

- o The investigation unit has not been reaching its goal of completing all of the investigations within the suspense time. Of the total 3,255 cases sent to investigation, the department was able to complete client case investigations within the suspense time, or within the time requested by the attorney, in only 88% of the cases. To be of value to the trial attorney, the results of the investigation need to be in the hands of the trial attorney in a timely fashion.

You and your staff are to be complimented for what has been accomplished during the 1985-86 fiscal year. However, more than just statistics need to be reviewed in order to have a meaningful MBU program. Please work closely with my staff to develop better objectives that will test the capabilities and true effectiveness of your staff performance for this year.

Sincerely yours,


Lianne Feinstein
Mayor

DF:DC



November 4, 1986

Dr. Philip Lee, President
and Members
San Francisco Health Commission
101 Grove Street
San Francisco, California 94102

Dear President Lee and Members:

My review of the Health Department's Management-by-Objectives performance for Fiscal Year 1985-86 indicates that performance as measured under MBO improved substantially in most divisions during the first full year under the guidance of the Health Commission.

Before commenting on the MBO program, I would like to re-state the importance of setting priorities within a current budget of \$333.3 million. Mental health, AIDS, narcotic rehabilitation, and the hospitals should be the highest priorities. I am hopeful that the budget priorities you are preparing for the next fiscal year will reflect these concerns. The department's priority list should indicate how revenues will be reallocated to fund priority programs.

Last year, the Health Department was asked to tighten its administration, improve cost containment and increase cost effectiveness in order to continue its broad array of health services. Under the policies of the Health Commission, much was accomplished in FY 1985-86. The entire department was particularly aggressive in increasing its revenues to maintain its services within its General Fund budget allocations. This was a major accomplishment and is due to the leadership asserted by Dr. David Werdegard, Director of Health and his staff, with the support and hard work of the Health Commission. Congratulations and thank you!

This year for the first time, a separate MBO assessment review letter has been prepared by me for each of the Health Department's major divisions; San Francisco General Hospital, Laguna Honda Hospital, Community Mental Health Services and Department of Public Health/Central Office. Additional work is needed in the MBO program at Laguna Honda Hospital to include on-going objectives and performance measures in all of the hospital's divisions. I will comment more specifically in the hospital's MBO letter.

The following is a summary highlighting the MBO program of the Department of Public Health/Central Office with general comments on performance and specific comments on critical areas that need to be addressed:

Most Public Health administrative goals were met

- o 123 civil service eligible lists were established; 23% over the revised target of 100 and better than the previous year's achievement of 103.

In response to concerns expressed by the Civil Service Commission on the decentralized testing unit, please implement the plan for increased consultation from the Civil Service staff as quickly as possible. As suggested last year, MBO measures of the quality of exams similar to those used by the Civil Service Commission should be developed. This is requested for FY 1986-87.

- o Examinations were administered for 25 LOA (Letter of Agreement) classifications out of a total of 38 classes for which eligible lists do not exist and provisional employees are employed.
- o The affirmative action goal of hiring 264 minorities and women in areas where they are under-represented was not met. 194 minorities and women were hired; 73.4% of the goal and less than the 204 hired in FY 1984-85.

While it is recognized that many vacancies were not filled in FY 1985-86 due to the need to reduce the department's expenditures and meet budget projections, the plan to identify projected vacancies for FY 1986-87 and establish numerical affirmative action goals for minorities and women according to their respective level of under-utilization should be implemented immediately.

- o The target of submitting 5 new grant proposals to increase departmental revenues was exceeded by the submission of 7 new grants, an increase of 40% but less than the the achievement of 11 new grants submitted in FY 1984-85.
- o 100% of the goal of reviewing and commenting upon 95% of significant health-related state legislative issues was achieved.

Good work! This validates the importance of the automated State legislative tracking and summary system that became operational in FY 1984-85 enabling the department to review and comment on legislation, particularly appropriation bills that were critical to the department.

- o One session on grant development and management was held, duplicating the previous year's training, but 50% less than the target of two training sessions for the year.

Since grant funding is critical to the Health Department, efforts should be made increased to conduct two training sessions in FY 1986-87.

- o 3,600 residents of homeless shelters were provided with medical and dental health services through the MIA program, surpassing by 140% the new MBO objective of providing services to 1,500 shelter residents.

Thank you for this excellent achievement.

- o The total of 2,574 units of Home Health service to MIAs was provided by contractual services; 7.3% more than the target of 2,400 units.

The department has now established its own Home Health Agency and new MBO objectives should be developed in Community Public Health Services and included for FY 1986-87.

The AIDS Activity Office continued its array of of services to meet the needs of AIDS patients by extensive monitoring of AIDS contracts

- o Efforts to distribute AIDS information through educational materials, public forum, and news articles were outstanding; surpassing the target of educational materials distribution by 68% and 162% more than the distribution in FY 1984-85.

These targets need to be revised upward to be more realistic.

- o 11,350 residence days were provided in Shanti residences, meeting the goals of 11,400 days and 61% more than the 7,046 residence days provided in FY 1984-85 by 61%. The new MBO objective of providing 1,086 emergency housing days was also met.

Excellent work!

- o The projected target of an average daily caseload of 45 for the first 6 months and 55 for the last 6 months by the Home Care Team to enable Persons With AIDS to maintain themselves as long as possible outside institutional settings was met within 91% of the objective, exceeding the ADCs achieved in FY 1984-85.

Continue the good work for this critical service.

The attack on the AIDS epidemic remains the City's highest health priority and the AIDS Activity Office must now include an MBO program for an aggressive program for education and information on the increasing spread of AIDS through intravenous drug use and sexual activity in the heterosexual community, particularly the minority communities. Please see that this is included for FY 1986-87.

As stated last year, efforts to seek outside funding and in-kind support should be incorporated into the AIDS MBO program. The City's obligation to provide the full array of AIDS services should be met by private, federal and state support as the department continues to seek additional funding to plan for this continuing crisis. These objectives, with established goals, should be incorporated into the FY 1986-87 program immediately.

In FY 1985-86, the new Toxic Control Unit developed a MBO program for the immediate identification, transportation and disposal of hazardous wastes stored by City departments

- o The target of compiling a list of potential city hazardous waste generating sites was met with the identification of 748 potential city sites.
- o The identification, packing and disposal of accumulated hazardous waste from 150 city facilities was accomplished by 104% at 156 sites in 19 departments.
- o An on-going hazardous waste disposal program has been established.
- o The target of completing the hazardous waste assessment at San Francisco General Hospital and Laguna Honda Hospital was not accomplished in FY 1985-86. This assessment is due to be completed by December, 1986.

For FY 1986-87, the department needs to develop an on-going MBO program with goals, objectives, and measurable targets to replace the one-time objectives in the first year. The objectives should prioritize the continuing efforts of the Toxic Control unit to comply with specific, identifiable legal requirements. Specific objectives need to be developed for staff supervision and management for this new division. An effective MBO program, with priorities, must be included for the Hazardous Materials Program that was transferred from the Fire Department. As stated last year, the Commission will need to keep a firm hand on costs and performance for these new programs.

Forensic Services mandate to provide additional levels of service

- o Accurate and legal medical records were maintained on 89% or 45,194 inmates initially booked and housed in the County jails, exceeding the goal of 83%.
- o 72,197 units of service were provided to patients at the Youth Guidance Center; 25% less than the target of 90,000 and well below the 91,401 units delivered in FY 1984-85 due to the decrease in census.

For FY 1986-87, this target has been changed to maintain the units of service at 72,000.

- o 6,642 patient days were utilized at SFGH Security Jail Ward; 10.7% more than the projection of 6,000 patient days and 14.7% more than FY 1984-85.
- o 19,270 evaluation and treatment units of service were provided by the Forensic Psychiatric Unit; 35.2% more than the target of 14,250 and 17.8% more than the 16,347 units of service provided in FY 1984-85, reflecting the increase in the jail population.

In order to comply with the Consent Decree, 15 vacant positions were re-allocated and additional contractual services for psychiatric, physician and pharmacist services were provided at the end of FY 1985-86 for a staffing ratio of 13.09 nurses for 1,650 inmates. Performance objectives and targets for increased services provided by the new staffing ratio should be included for the current fiscal year.

- o The measure for assessment of the Sexual Trauma Services was changed from the number of individuals served to units of service. 4,417 units of direct client service were provided, less than the target of 4,575.

In the previous year's MBO assessment of Sexual Trauma Services, it was suggested that due to the continuing decline in the number of rapes for the past several years, resources might be better used in other services. This needs to be reviewed and evaluated during the budget planning process for FY 1986-87.

- o 3,483 evaluation and treatment units of service were provided by the psychiatric clinic at the Youth Guidance Center to custody and non-custody youth and their families; 15% below the target of 4,010 units of service.

These targets should be re-evaluated in relation to staffing.

As stated last year, the MBO program for Forensics needs to be improved. Performance targets are still measurements of units of service that do not incorporate staffing patterns or evaluate the effectiveness of the services provided. After two years, I ask that these changes be made now.

Laboratory Services were sufficient

- o Revenues of \$97,585 were earned, within the target of \$100,000 but below the \$101,404 earned in FY 1984-85 and \$108,826 earned in FY 1983-84.

Please look at the decline in revenues and assess for improvement.

- o 220,881 tests were provided, meeting the performance target of 230,000 and 2,768 more than FY 1984-85.

It is good to know that for FY 1986-87, new MBO objectives have been added that will specifically measure the ability to perform a variety of tests in a timely manner. As the spread of AIDS accelerates in risk groups associated with sexual diseases this information will be critical.

Community Public Health Services re-established priorities

These new priorities are reflected in the FY 1985-86 MBO Program. Objectives and performance measures have been adjusted to reflect the activities that are high-priority goals. As commented last year, this is an effective use of the MBO program. However, this change in focus and the re-writing of the MBO program does not allow for appropriate comparisons with previous performances. This will not be a problem next year.

- o 103,197 clinic based encounters were provided in the five district health centers, exceeding the goal of 90,000 by 14.7%.
- o 31,653 home-based public health nursing encounters were provided, near the performance target of 33,000.

As stated earlier, performance objectives with measurable targets should be included in FY 1986-87 for the new licensed home care unit that is being developed in the Health Centers to provide skilled nursing care, therapy services and other support services of homecare for MIA patients and non-MIA patients discharged from SFGH and LHH.

- o 614 pregnant women were served in the perinatal clinics at District Health Centers #3 and #4 exceeding by 53.5% the target of serving 400 pregnant women to try to achieve a low birth weight incidence of less than 10% in any racial/ethnic group.

This target should be revised upward for FY 1986-87.

- o 4,122 encounters were provided to clinic-based high-risk teen clients (ages 12-10); including 1,500 family planning teen encounters, exceeding the goal of 3,100 teen encounters by 39.5% and 700 family planning teen encounters by 114.3%.

These targets should be revised upward for FY 1986-87 to reflect the critical need for these services to this population. Appropriate referrals for these high-risk teens should be documented in the MBO program.

- o 616 home-based public health nursing encounters were provided for clients diagnosed with AIDS or ARC, exceeding the target of 450 home encounters by 36.8%.

For FY 1986-87, this target should be adjusted upward to reflect this excellent achievement!

Environmental Health performed well in spite of a reduction in staff

- o 42,029 inspections of 6,285 licensed food premises were completed, below the projection of 50,000 inspections but only 12.6% less than the 47,338 inspections made in FY 1984-85 in spite of the reassignment of 8 environmental health inspectors to the Toxic Program.

It is appreciated that this division responded to new needs with the reallocation of positions. Environmental health inspectors are to be congratulated for working hard to try to maintain the quality and quantity of inspections of food premises with reduced staffing.

15,214 hotel and housing complaints and inspections were performed; 33.5% more than the target of 12,000 inspections and 24.5% more than FY 1984-85.

Goals should be revised upward for FY 1986-97 and performance measures should include the number of hotels that are certified annually based on Section 594 of the Health Code.

Records and Statistics continued to provide a high level of services

- o 96,311 birth and death certificates were issued within 5 days, 7% over the target of 90,000, and revenues of \$388,110 were earned, more than the \$349,223 earned the previous year.

Communicable Disease Prevention and Control performed well

- o 35,373 diagnostic, treatment and epidemiologic services for sexually transmitted diseases were performed; 17.2% less than the 42,720 performed in FY 1984-85.

While it is understood that the annual target has been adjusted to 37,000 for FY 1986-87, this reduction in services can be attributed to the effective AIDS education campaign on safe sex practices with gay and bisexual males, new projections of AIDS in IV drug users and heterosexual transmissions may increase the need for these services.

- o Of all cases of infectious syphilis and all health department diagnosed cases of symptomatic gonorrhea; the target of 92.6% was met for interviewing, and bringing identified contacts to medical supervision.

This surveillance will become critical with the projections of increased AIDS in heterosexual high-risk groups with venereal diseases.

Senior Health Services again served the elderly well

- o The SRx program provided personal medication records to 4,696 seniors; 17.2% more seniors than FY 1984-85 with 61% using the records; above the estimated use of 40%.
- o 276 senior clients received case management in-home assessments in the Eldercare Program; 38% over the projection of 200 for this new MBO objective.
- o Senior Information and Referral Services were provided to 1,367 clients, 56% above the 875 target; 1,270 clients were referred to community service providers, 120% above the 577 target; and 290 clients received followup services, 80% over the 161 target.

Excellent work! Please tighten these targets for FY 1986-87.

If the Senior Information and Referral Service is successful in receiving grant funding for the five year project to reduce community and home injuries to seniors, MBO performance objectives and targets should be included for this new program.

- o North of Market Senior Services provided 17,136 medical units of service to an average of 204 seniors per month; 24.9% more units of service than the previous year and 42.8% over the target of providing 12,000 units to an average of 100 seniors per month.

Congratulations on increasing these needed services for the residents of the Tenderloin!

Community Substance Abuse Services performed well in most areas

- o 70.3% of the alcohol clients successfully completed residential treatment, slightly better than the 70% in FY 1984-85 and within the target of 75%.
- o 70% of alcohol-related referrals were successfully linked with at least one treatment program, matching the performance of the previous year.
- o 387 community agencies were provided with drug outreach and information, exceeding by 75% the target of 220 community agencies.

Please revise this target.

- o 2,843 calls were received for drug information, surpassing the 2,400 calls received in FY 1984-85 by 18.5% with 1,476 emergency calls; 23% more than FY 1984-85.

These statistics indicate the increased use of drugs and drug related problems in San Francisco. Please develop new objectives documenting the numbers referred, placed for treatment, and the time taken for placement.

- o 8% of the clients in Methadone treatment were arrested while in treatment, meeting the target of less than 15%.
- o 51% of the clients completing drug free treatment maintained employment, slightly better than the target of 50%.

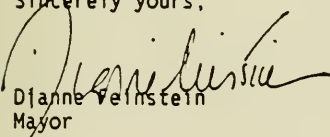
The development of new programs to address the concerns of the Mayor's Narcotics Task Force continues to be a priority. The controversies that have continued for the past two years on the Methadone contracts must be resolved as CSAS addresses the critical issue of IV drug users and AIDS. Your cooperation in the difficult task of addressing the drug crisis and AIDS is essential.

There remain many difficult issues facing the Public Health Department. The new information on AIDS makes it appear certain that this deadly disease will grow to new epidemic proportions. The legal requirements of the Toxic Program will take monies desperately needed for expansion of public health services. The narcotic problem continues unabated and creative new programs and strategies will be needed. Services to the Homeless and MIAs will continue to strain the City's resources.

In spite of these problems, Dr. Werdegarr and his staff at Central Office have worked hard to improve the efficiency of the delivery of public health services while restraining new budget requests. For the second year in a row, a Health Department administrator was recognized by the Mayor's Fiscal Advisory Committee as one of the city's four recipients of the annual MFAC Management Award. Congratulations to Flo Stroud, Deputy Director of Health for Community Public Health Services!

It is especially gratifying to me that Dr. Werdegarr has consented to continue as Director of Health. The Commission's dedication in providing policy decisions supporting his administrative direction is greatly appreciated. I look forward to working with you in the next year to again make the critical decisions necessary to assure quality public health services for San Francisco.

Sincerely yours,



Dianne Feinstein
Mayor

DF:SO

cc: Dr. David Werdegarr
Director of Health



November 4, 1986

Dr. Philip Lee, President
and Members
San Francisco Health Commission
101 Grove Street
San Francisco, California 94102

Dear Dr. Lee and Members:

This letter reviews the Management-by-Objectives performance for Community Mental Health Services for Fiscal Year 1985-86. Community Mental Health Services has developed a comprehensive, quality MBO program that clearly identifies the delivery of services by programs.

In budget planning for the next fiscal year, it is my expectation that prioritizing of available resources will provide additional, local 24 hour mental health care along with increased services to children and youth. Although the opening of the acute psychiatric ward at San Francisco General Hospital and contracts with local private hospitals was successful in reducing the utilization of out-of-county beds, the increased acuity of patients resulting in the overuse of unallocated beds at Napa State Hospital needs to be monitored carefully for increased costs. This again highlights the urgency of the current planning for a local L-facility at San Francisco General Hospital.

The lack of appropriate acute facilities for children and adolescents will continue to impact local services. The plans to develop space in the pediatric ward at San Francisco General Hospital for additional mental health beds for children will still be inadequate to provide adequate services for the increasing numbers of severely disturbed children that are being diagnosed. CMHS indicates that it will cost in excess of \$4 million annually to comply with existing state legislation to provide services to identified severely emotionally disturbed children in San Francisco. The meetings initiated by the Health Department with the School District, Youth Guidance and Mental Health to seek legislative assistance for funding to comply with state mandates have my full support.

For the last fiscal year, my top priority for CMHS was to insure that unlike previous years, the department would operate within its budget allocation. Fiscal responsibility is still the top priority. Last year, Community Mental Health Services demonstrated that by working hard to increase its revenues and careful monitoring and balancing of acute, intermediate and community-based services, the department could operate within its budget constraints. Congratulations to the Mental Health staff and the Health Commission for this achievement!

As requested in my performance review last year, CMHS incorporated additional MBO objectives and performance that enhance planning and service delivery functions and institutionalize reforms that assist the department to monitor costs and successfully operate within its budget.

191

During the budget review process for FY 1986-87, I requested a comprehensive study of current policy and service plans to identify gaps in service and unmet needs in order to develop cost effective programs to increase services to the mentally ill in San Francisco. I am pleased to know that planning is currently proceeding on a Five Year Plan for all CMHS services, focusing on the concerns identified above, before submission of the proposed budget for FY 1987-88.

Community Mental Health's FY 1985-86 MBO performance summary and my comments follow:

Administration/Business & Operation

- o A published Action Plan was developed as scheduled establishing a plan for implementing priority planning for the budget process.

I look forward to reviewing the Five Year Plan that will integrate a long-term planning process, including specific goals and funding priorities before the next budget review.

- o The Billing Information System continued to enhance the collection of Medi-Cal, non Short-Doyle receipts exceeding projections by 32.7%, an increase of 53.3% over FY 1984-85 revenues.

Keep up the good work! These results justify the computerized billing system. Projections for FY 1986-87 should be increased to reflect these achievements. Increased compliance with the timely submission of billing data should result in even more impressive revenues.

- o 61.1% of the outpatient programs, under the 100% compliance targeted for compliance, submitted timely billing data to the Billing Information System due to changes in cost centers in some outpatient programs and lack of appropriate staff to monitor performances.

Maximizing the collection of outpatient services billing by timely Billing Information System submissions should be a priority for your Business and Operations Division. As stated in the Controller's Audit Report of March 12, 1986, contract cost centers should be sufficiently monitored to ensure that actual service units provided are the same as service units budgeted.

- o Utilization review process was established in FY 1985-86 for all acute care facilities to ensure quality of care.

In FY 1986-87, I understand efforts will focus on establishing a standard system-wide utilization review to provide contract controls and responsive support by CMHS staff to contract administrators as recommended by the Controller's Audit Report.

- o Standardized written procedures detailing the tasks that contract administrators should regularly perform will be developed and implemented by June 30, 1987.

As stated in the Controller's Audit Report, this will make contract monitoring more effective and enable CMHS staff to be more responsive and provide better supervision.

- o Standardized procedures for the development, approval and verification of new contracts will be implemented in FY 1986-87.

Detailed itemized information will be required on all professional services contracts for the FY 1986-87 budget process. Any contract requests submitted to my office without the required information will be deleted from the budget.

It is noted that CMHS initiated these corrective responses to the concerns expressed in the Controller's Audit by including MBO goals and objectives in FY 1986-87 to measure implementation. This is an outstanding example of the use of MBO to document activities to improve fiscal management. I appreciate this effort.

Geriatric Services

- o Geriatric hospitalizations from day treatment programs was 8.6%, less than the estimate of 10% but slightly worse than FY 1984-85 when only 7.5% were hospitalized, due to a greater acuity level in the geriatric population in FY 1985-86.
- o 44% of the geriatric clients hospitalized in psychiatric locked facilities progressed to lower levels of care or less structured living situations, exceeding the projection of 10%, indicating that a greater number of clients became stabilized and returned to San Francisco board and care homes.

The target for FY 1986-87 should be adjusted to reflect this achievement.

- o For FY 1986-87, base line data on the # of homeless seniors will be documented and 50% will be assisted to obtain stable living situations.

Children, Adolescents & Family Services

- o Less than 1% of the children in day treatment programs required hospitalization in FY 1985-86; well below the the 10% anticipated and duplicating the performance of FY 1984-85.

The target was not adjusted as requested in the Mayor's MBO letter for FY 1985-86 and another request is made for appropriate changes reflecting several years of excellent performance. Please reduce the target to a realistic level.

- o 89.6% was the yearly average and performance at the end of FY 1985-86 was 95% for children discharged from day treatment programs who had discharge plans recommending on-going treatment and educational services for both child and family, exceeding the 75% anticipated and the achievement of 92.4% in FY 1984-85.

Adjustments should be made in MBO targets for the current fiscal year to more accurately reflect the success of the past two years.

- o A total of 18 children and adolescents were admitted to Napa, exceeding the annual target of 12 admissions and increased from 17 in FY 1984-85, due to a significant increase in the number of homeless adolescents in need of mental health services arriving from outside San Francisco during FY 1985-86.

- o 10.4% of the adolescents served in day treatment programs required hospitalization in FY 1985-86, below the target of 15% but more than the 5.1% the previous year.
- o The target to minimize the length of hospitalization by ensuring that 85% of children and youth with Short-Doyle funding are hospitalized locally for 35 days or less per episode was not met; only 72% were hospitalized for less than 35 days.

The performance for the last two objectives indicates the acuity level of the chronic child/adolescent population continues to rise. Please continue to negotiate in FY 1986-87 for appropriate local facilities,

Adult Community Services

- o The annual performance not to exceed 15% hospitalization for adults in day treatment programs was exceeded and only 8.1% required hospitalization, slightly under the excellent performance of 6.6% in FY 1984-85.

For FY 1986-87, the target has been revised to 10% as requested in my MBO letter for the previous year.

- o 92% of the clients were linked in case management programs to existing and appropriate CMHS service delivery programs, exceeding the minimum target of 80% and better than the 84.5% reported in FY 1984-85.

This performance target should be adjusted upward for FY 1986-87.

- o 95% of the adult referrals in FY 1985-86 from higher and more expensive levels of client care were admitted for outpatient treatment for continuity of care; better than the 75% anticipated.

This new objective should continue to be monitored in order to successfully move clients to less expensive levels of client care.

Adult Acute Services

- o Psychiatric emergency treatment services were available 24 hrs, 7 days a week approximately 89.5% of the time, better than the 88.3% achieved in FY 1984-85, but below the goal of 100%.

It is my understanding that the Police Department and psychiatric emergency services staff at SFGH and Mt. Zion Clinic have been informed that police-transported patients must always be accepted. I am totally in support of this policy. Capital funds to renovate the space for Psychiatric Emergency Services at San Francisco General Hospital to increase capacity were approved in the current budget. In addition, various plans have been implemented to relieve bed spaces in the acute psychiatric ward to accommodate acute emergency psychiatric patients in FY 1986-87 and increase the availability of psychiatric services at 100%.

- o Utilization of state allocated days at Napa was 109%, over the target of 100% and performance of 99.3% achieved the previous year.

This overuse of unallocated state hospital beds and corresponding pressure on the local acute inpatient system must be carefully monitored for costs.

- o The average length of stay for local adult hospitalizations was 11.7 days, exceeding the estimate of 10 days per episode and far greater than the 8.4 days achieved in FY 1984-85.

Again, this documents the increased acuity rate of the chronic client population that continues at a high level resulting in more and longer lengths of hospitalization.

- o The plan to decrease utilization of costly inpatient services and eliminate the use of out-of-county adult acute beds was accomplished.

The opening of 25 beds in Ward 6B at SFGH and the increased use of residential treatment facilities as an alternative to acute care and successful negotiations with private city hospitals assisted in achieving this reduction. Thank you for working so hard to reduce expensive out-of-county costs. I'm also pleased to note that planning is proceeding as scheduled for the construction of a much needed sub-acute facility at San Francisco General Hospital.

It has obviously taken creative solutions, careful monitoring of costs, and hard work to achieve these positive results in FY 1985-86. In the current fiscal year's budget, CMHS reduced its use of the general fund by 3.63%, a first for mental health services.

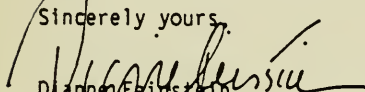
In FY 1986-87, new state funds are providing special services to the mentally ill homeless, including seniors and veterans in target populations primarily in the Tenderloin and the South of Market. A new program funded by Medicare focuses on serving eligible clients in the Mission, Hunter's Point and the Western Addition to reduce waiting lists and increasing services.

In response to community concerns, services were reallocated this year to provide much needed additional services to children and adolescents. I am pleased the Health Commission approved expanded services for a day treatment program at Cleveland School and high risk families in the Tenderloin and the Western Addition.

Dr. Reiko True and the mental health staff have done a superb job of providing for the mentally ill in San Francisco. They will need your continued support and guidance to contain costs as the need for additional services increases.

I look forward to working with you to meet these challenges.

Sincerely yours,


Dianne Feinstein
Mayor

DF:SO

cc: Dr. David Werdegard, Director of Health
Dr. Reiko True, Deputy Director of Health

1025

Office of the Mayor
SAN FRANCISCO



DIANNE FEINSTEIN

November 4, 1986

Dr. Philip Lee, President
and Members
San Francisco Health Commission
101 Grove Street
San Francisco, California 94102

Dear President Lee and Members:

San Francisco General Hospital's Management-by-Objectives (MBO) performance for Fiscal Year 1985-86 has been reviewed. I am pleased to tell you that the hospital's MBO program has been substantially improved.

The hospital's budget planning priorities for FY 1987-88 must provide for increased care and treatment of AIDS and ARC patients, as well as meet the demands for a variety of additional services to the medically indigent with careful evaluation of available revenues and reallocation of existing resources if necessary. The administration must carefully monitor accreditation and licensing issues to maintain its present reputation of providing quality health care. Planning to reduce ambulance response times to 6 minutes for Code 3 calls must include creative planning for the use of resources and cooperation between Emergency Medical Services and the Fire Department.

In my MBO letter for the Health Department last year, it was pointed out that San Francisco General Hospital was the only city department that did not have an effective MBO program. The hospital was asked to address this critical problem and develop and incorporate specific productivity measures for all of the hospital's functions. SFGH responded by incorporating productivity measures from standards collected by the American Hospital Association. Except where FY 1984-85 achievements are noted, particularly in Psychiatric Services and the Methadone Clinic, almost all of the objectives were new performance measures for FY 1985-86. Congratulations on developing a comprehensive, new MBO program that includes the hospital's critical services. I consider this a major achievement.

The hospital implemented the substantive recommendations of the Mayor's Fiscal Advisory Committee (MFAC) on the management and operations of the hospital's financial operations, in particular the billing and collections system. Thank you for implementing these recommendations and incorporating goals, objectives, and performance targets to monitor progress into the MBO program, as requested. It is my understanding that the recommendations begun in the last fiscal year will be fully implemented in FY 1986-87 by the newly appointed Fiscal Officer. Again, a major achievement.

In FY 1985-86, the hospital increased its revenues by \$12.1 million, an increase of 12% over the budget projection, mostly due to an increase in Medi-Cal rates. Dr. Werdegard and the hospital staff are to be commended for their hard work in successfully increasing revenues and balancing hospital expenditures to meet increased demands for services. In the current fiscal year, I am aware there has been a reduction in the projected state funding for

augmentation of MIA services of approximately \$1.4 million and the question of additional state funds will not be resolved until January, 1987. The hospital must carefully monitor its spending and continue to increase its revenues to assure that services to the community will not be reduced.

The appointment of Mr. Phillip Sowa as the long awaited new Executive Administrator of San Francisco General Hospital highlights the good news at the hospital for FY 1985-86. Mr. Sowa knows of my high expectations for more efficiency in management, increased fiscal responsibility, and improved delivery of medical care at our public hospital. I am particularly pleased that Mr. Sowa came to us with a strong commitment to a public teaching hospital which he considers a unique community resource.

Please expand the FY 1986-87 MBO program to include measurable objectives for the procedural improvements made in Clinical Laboratories to address the deficiencies cited in 1984.

A summary of my review and detailed comments are as follows:

Administration/Finance

- o 173 managers in the hospital received basic management training by 6-30-86, exceeding the target of 100.
- o Accounts receivable were stabilized at approximately 114 days, meeting the target of 115 days for bills to remain in accounts receivable.

Good work! Prior to the implementation of the MFAC recommendations, bills remained in accounts receivable an average of 185 days.

- o Pre-bill status is currently at 44.5 days from discharge, achieving the performance target of 45 days.

MFAC reported that previously it took between 27 and 53 days to mail out a bill. Efforts need to be increased to further reduce the number of pre-bill days.

- o The MBO objective for staff training by consultants in the clear delineation and execution of eligibility rules so that patients are billed appropriately was implemented and the consultancy continues in FY 1986-87.

Peat, Marwick and Mitchell's internal accounting control report to the Controller on July, 1986, reported that as of April 30, 1986, the hospital had over \$5.4 million in its Medi-Cal pending receivables. Please continue to work with the Department of Social Services to review the eligibility process and improve procedures for Medi-Cal collections.

- o Patient revenues increased by \$1.4 million, below the projected target of \$1.5 million.

It is understood that the hospital will continue to work on revenue enhancement and the implementation of the CORE System will improve collections.

In the July 1986 report, Peat, Marwick and Mitchell repeated their previous concern, noted in 1984 and 1985, about the control of charge tickets for inpatient ancillary services that are used for posting and billing of patient accounts. The report notes that unbilled inpatient pharmacy charge tickets were in storage in the Pharmacy Department and never billed. The Peat, Marwick and Mitchell report indicates the hospital is in the process of implementing a system of batch controls for charge tickets. Controls used for charge tickets in all services should be included as MBO objectives with specific performance targets.

Medical Records

- o An average of 27 operative reports were outstanding more than 7 days; 93% over the target of 14 days.

Please see that new procedures for notifying the Chief of Surgery regarding delinquent reports and making the Chief responsible for delinquent surgery dictations and enforcing policies are implemented immediately.

- o 140 charts were not completed within the target of 4 weeks, substantially over the target of 0 delinquent charts over 4 weeks old.

Again, please see that procedures are developed for timely chart completion and physician notification.

Peat, Marwick and Mitchell commented that physicians not signing their attestation statements on a timely basis slow down the billing process for Medicare patients. If necessary, the report recommended a committee of physicians to monitor delinquent physicians.

- o 77% of the charts for drop-in patients were located, meeting the target of 80%.

Although this is an indicator of overall achievement, the hospital should aim for a 100% performance target and the new system for chart tracking and retrieval that is being developed should assist in achieving this goal.

- o Average turnaround time for chart analysis and coding was 3.63 days, well within the target of 4 days.

Good work! Please continue to improve turnaround times. A timely billing/payment system requires the medical records department to provide accurate coding information on a timely basis.

- o The average turnaround time for completion of discharge summaries of 4.25 days did not meet the target of 3 days.

Please review the contract for transcription services and modify for compliance.

Effective administration and organization of the Medical Records Division to meet state compliance requirements has been a major issue for years. It is expected that an accurate data base for the evaluation of the quality and continuity of medical care and timely records for patient accounting will be a priority for the new Medical Records Director.

Nursing/Critical Care

- o Numbers of hours of care per patient day were only partially met in most critical care wards in FY 1985-86.

A number of vacancies in nursing were not filled due to the nationwide shortage of nursing personnel and the requisition processing slow-down imposed to meet budgeted expenditures. The aggressive hiring of nurses that is taking place currently and the decrease of beds due to the closing of 1 unit should allow the hospital to meet the required nursing care hours in FY 1986-87.

The nursing MBO program should include the objective of measuring the percentage of the total available nursing hours daily that are spent in direct patient care. Please include this for the current fiscal year.

Outpatient

- o 39% of 790 regular adult medical screening appointments were scheduled in 14 days, not meeting the 100% target.

Clinic expansion planned during the current fiscal year will increase space and targets should be re-evaluated based on staffing patterns.

- o 26% of 1460 acute medical and family health screening appointments were scheduled in 3 days, considerably below the target of 100%.

As stated above, please evaluate the performance target on expanded clinic space and available staff.

Emergency Services

An area of continued concern is ambulance response time. During the budget process for the current fiscal year, I urgently requested a report on the level of additional funding that will be necessary to reduce response times to 6 minutes for Code 3 calls. This report is due shortly and it is my anticipation that any supplemental request will be carefully studied by Dr. Werdegard and the Health Commission for a responsible, cost effective delivery of increased ambulance services.

- o The target of less than 2% of the ambulance shifts per month uncovered due to staff or equipment shortages was met.
- o Average response time to Code 3 calls was reduced to 6.5 minutes, under the target of 6 minutes.

As noted in my response to the concerns of the 1985-86 Civil Grand Jury Report, in May 1985 the Mayor's Fiscal Advisory Committee was asked to review the entire ambulance system and the department has agreed to implement many of MFAC's recommendations. The computerized dispatch system has been approved for implementation in FY 1986-87 to assist in reducing response times and a new contract was approved in July, 1986 to guarantee payment to private ambulance companies to assist in reducing response times.

The organizational structure that includes a physician director of EMS, physician director of the emergency base station, and a physician consultant to the paramedics needs to be reviewed for consolidation to decrease duplicated activities and minimize county costs as recommended by the MFAC report. MFAC's preferred option of an integrated response time (IRP) that has the Fire Department as the primary response backup is in place as a pilot project for six months to evaluate its success. I look forward to a decision on the recommendation to position ambulances next to fire houses. I also anticipate progress in the development of a consolidated emergency services dispatch system.

MBO goals, objectives and measurable targets should be incorporated for the computerized dispatch system, the private ambulance contracts, and the Fire Department/DPH MOU on the integrated response time. Please include goals with specific timelines for revising the current organizational structure, and any alternative staffing and scheduling.

For FY 1986-87, please incorporate MBO objectives and measurable targets for the care of patients in the emergency room such as the number of emergency patients admitted to the critical care wards and the number of patients referred for follow-up care in the outpatient clinics.

Pharmacy

- o The goal of reducing pharmacy waiting times to no more than 2 hours at the outpatient department satellite pharmacy and main pharmacy was met with an average waiting time at the satellite pharmacy of 25 to 30 minutes and 62 minutes at the main pharmacy.
- o An average of 76 prescriptions per hour, per pharmacist were prepared by pharmacists in outpatient prescriptions, exceeding by 19% the target of 64.

Both of the above achievements are significant. Additional funds were included in the budget for the current fiscal year to further improve services and reduce waiting times. Even more impressive results will be anticipated.

Pharmacy procedures for quality control objectives and performance targets to avoid the deficiencies cited by the State in 1984 should be included in the FY 1986-87 MBO program.

Psychiatric Services

Planning for the L-Facility, a sub-acute mental health facility to be built at San Francisco General Hospital in conjunction with a parking garage is a priority capital improvement project of my administration.

- o The median length of stay in the psychiatric inpatient unit was 13 days for those patients not sent to Napa or an L-Facility, exceeding the target of 15 days but considerably better than the 17.2 days in FY 1984-85.

The development of additional CMHS outpatient mental health services in FY 1986-87 should assist in maintaining the reduction of acute hospital days. Close cooperation should continue to be maintained between the hospital's psychiatric staff and Community Mental Health Services to coordinate the delivery of services.

- o 2.2% of the total hospital days were decertified for reimbursements due to non-placement reasons, meeting the target of less than 5% and better than the achievement of 5.7% in FY 1984-85.

Again, please continue to work closely with CMHS.

- o 96.6% of the patients decertified for placement reasons were documented for Medi-Cal or Short Doyle billing, meeting the performance objective of 95% and better than the documentation of 92% for one month in FY 1984-85.

Methadone Clinic

- o 75% of the 250 patients in treatment were drug free in urinalysis testing, exceeding the goal of 70% and consistent with the performance of FY 1984-85.
- o 90% of the treatment slots were utilized throughout the year, above the 85% documented in FY 1984-85.
- o 60% of the patients in treatment 90 days or longer were employed in vocational or educational training or developed homemaking skills, slightly below the achievement of 64.5% the previous year.

AIDS

San Francisco General Hospital continues to lead the nation in the quality and cost effectiveness of the care that is offered to AIDS and ARC victims. The opening of the new AIDS Ward 5A in January, 1986 increased the bed capacity from 12 to 20 beds and the AIDS Outpatient Clinic provides numerous treatment programs allowing patients with AIDS/ARC to remain in their homes and avoid unnecessary hospitalizations. The demands for these service will continue to escalate in the coming years as we see the AIDS crisis expand into the drug use, minority and heterosexual communities.

- o The projected opening date of 9-30-85 for the new expanded AIDS Ward was not met due to hospital constructions delays but the new ward was open and fully operational in January, 1986.

Please include on-going MBO objectives that document the array of inpatient services that are provided for the AIDS patients through the AIDS Activity Office, contracted AIDS programs, and volunteers.

The average length of stay that is a critical factor in the reduced lifetime costs of inpatient care at SFGH should also be included in the MBO program.

Services provided in the AIDS Outpatient Clinic to AIDS and ARC patients and avoid unnecessary hospitalization should be documented in the MBO program with # of treatment programs provided and # of patients served.

In spite of the distressing news that the Governor vetoed augmentation funding for AIDS in the current year, funding of \$1.5 million for planning and preliminary work for a Multidisciplinary AIDS Research Center at San Francisco General Hospital with a commitment of \$8.6 million for construction next year was excellent news. MBO objectives and performance measures should be included in FY 1986-87 for planning for the new AIDS Research Center.

Physical Therapy

- o Local industry standards of 5.5 direct patient contact hours per therapist per day were met with an average of 6.45 direct contact hours for the year.

The Civil Grand Jury recommended that hospital management address concerns raised by the Chief of Rehabilitative Medicine at SFGH regarding the lack of staffing needed to provide adequate rehabilitation services to patients. The recently hired Senior Physical Therapist and additional positions in the FY 1986-87 budget should increase the development of rehabilitative services.

The planning for more extensive use of Laguna Honda's rehabilitation unit has my full support.

Dietary/Food Services

- o 24 paid hours per 100 meals served as achieved; 25% better than the performance target of 30 or less paid hours per 100 meals.

Additional MBO goals, objectives and measurable targets should be developed that document your continuing efforts to avoid the deficiencies cited by the state two years ago:

This should include the timely assessment by the dietary department of patients with nutritional problems and on-going inservice training of the food service staff on standards for sanitation, food preparation, food storage, dishwashing, etc.

Housekeeping

- o 31 paid hours per 1000 square feet cleaned per month met the target of 35 or less paid hours per 1000 square feet of area cleaned.

Materials Management

- o The target for WBE participation was exceeded with a 165% achievement but the MBE target was underachieved by 40.7%.

Thank you for changing the bidding process so small vendors can compete with joint ventures for minorities and women.

Additional funds were included in the FY 1986-87 budget for better control of materials and supplies. Please include MBO goals and objectives with measurable targets for how this will be accomplished.

Security

- o Auto boostings remain at 70 per year, 75% above the target of 40 or less per year.

Standards for surveillance, apprehension, and prevention need to be established and reviewed.

- o Parking enforcement has increased with an average of 65 citations issued per day, above the target of 50 citations per day.

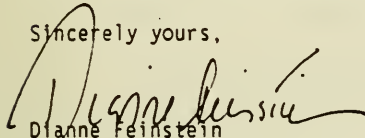
Dr. Philip Lee, President
SFGH MBO
Page Eight
November 4, 1986

This MBO program needs to address major security measures that I asked the hospital administration to implement in September, 1985. The 1985-86 Civil Grand Jury stated that security at the hospital has improved and has made a number of excellent recommendations to further improve the system. These recommendations need to be reviewed and implemented to further tighten security at the hospital.

San Francisco General Hospital will continue to be heavily utilized with anticipated outpatient visits in the current fiscal year in excess of 330,000, an increase of 9%. The FY 1986-87 budget included an increase of \$2. million for the hospital to reflect adequate staffing for all clinical services; better control of materials and supplies; improved pharmacy services and reduced times; and overall maintenance of a high level of quality of care for increased census and clinic visits.

In spite of the difficult issues that face us, I know that you join me in a commitment to insure that San Francisco General Hospital continues to provide quality health care to the people of San Francisco.

Sincerely yours,



Dianne Feinstein
Mayor

DF:SO

cc: Dr. David Werdegarr, Director of Health
Mr. Phillip Sowa, Executive Administrator SFGH



November 4, 1986

Dr. Philip Lee, President
and Members
San Francisco Health Commission
101 Grove Street
San Francisco, California 94102

Dear President Lee and Members:

Laguna Honda Hospital's Management-by-Objectives performance report for Fiscal Year 1985-86 has been reviewed. My analysis indicates that additional work is needed in Laguna Honda's MBO program to include on-going objectives and performance measures in all of the hospital's divisions.

The State's certification issue of increased patients' privacy was addressed with the construction of individual cabinets for personal belongings and planning must now be completed for providing increased privacy in the wards. I am pleased to note that the additional therapeutic activities requested by the State for the patients are being provided.

As requested last year, the State's licensure compliance requirements for patient care and the hospital's maintenance operation were incorporated into the MBO program for FY 1985-86. The majority of these new MBO objectives were based on one-time goals and performance measures. During the current fiscal year, Laguna Honda must develop goals and objectives with measurable targets that reflect continuing high levels of patient care and monitoring of maintenance performance. Objectives that address the State's concern regarding patients' privacy issues and independent functioning and nursing staff ratios must also be included.

While there was improvement in the hospital's MBO program for FY 1985-86, on-going productivity measures for all Laguna Honda Hospital's divisions including administration should be incorporated into the MBO program. Objectives and measurable targets that reflect national, state or regional long term care and skilled nursing facilities standards should be used. As a beginning, critical services such as pharmacy, medical records, patient accounts, food services, admitting, security, rehabilitation, clinical services and management information service must be included.

The following is a summary of the hospital's MBO performance with my comments:

Finance

- o Revenues were increased by 51.8% or \$17.6 million, substantially exceeding the target of 21% increase over the previous year.

This was a result of increased revenues from the state and aggressive re-imbursements efforts. Good work and continue your efforts.

Nursing

- o The size of decubitus ulcers on new patients was reduced by 94%, better than the 92% reduction in FY 1984-85 and substantially better than the target of 50%.

The performance of the past two years indicates this target needs to be significantly increased to reflect this achievement in nursing care.

Nursing care productivity measured by the number of hours of care per patient day and the percentage of the total available nursing hours daily that are spent in direct patient care should be included in the MBO program for FY 1986-87. The new nursing staff to patient ratio required by state legislation in 1985 should be used.

Medicine/Acute Care

- o The number of patients discharged to an outside acute facility was reduced by 28% over the the previous year, better than the target of 10%.

This indicates that more patients are being treated in Ward M-7, the acute care ward at Laguna Honda Hospital.

- o The average length of stay on Acute Ward M-7 was 8 days, less than the estimate of 9 days, and better than the average of 11 days in FY 1984-85.

Please continue to monitor the quality of care provided.

- o Urinary tract infections were reduced by 5.5%, not meeting the target of 10% reduction due to the increased acuity of admissions and the increase in patients admitted to the acute care ward.

Efforts need to be increased to meet the 10% reduction, a very reasonable target.

Laundry

- o The new target of an average of 30,000 pounds of clean laundry per day was met and the additional laundry personnel hired in FY 1985-86 eliminated the use of overtime and shortages in line distribution.

Please keep up the good work.

Housekeeping

- o The public rest rooms were cleaned 2 times daily 65% of the time instead of the 100% targeted but a little better than the 62% achieved in FY 1984-85.

Please review staff assignments to make a greater effort to achieve this objective.

Social Services

- o 236 timely discharges were made from Laguna Honda Hospital to the community; under the projection of 285 due to delays in disability evaluations and the non-availability of community resources.

Please implement the plan to develop more effective discharge plans and consider increased use of the Adult Day Health Center which continues to be under-utilized.

Adult Day Health Center

- o The target of enrolling 100 new participants in the Adult Day Health Center was not achieved and 71 new members were enrolled, below the achievement of 84 in FY 1984-85 because of insufficient referrals to the program from the community. Laguna Honda is licensed by the State as an Adult Day Health Care Center to provide therapeutic, social and health services as an option to institutional care for residents in the Sunset, Park Merced and Outer Richmond neighborhoods.

Aggressive recruitment needs to be done through senior centers, churches, and hospitals to inform the public about these services.

Paratransit transportation is provided for the Adult Day Health Care Center and a performance target for the number of participants using this service on a daily or weekly basis should be included in the MBO program.

Senior Nutrition Program

- o A total of 45 congregate special diet meals were provided meeting the target of serving 45 daily meals at Laguna Honda to seniors in the neighborhood.

Please continue to work with the Commission on Aging to improve this program.

- o 68 home delivered special diet meals were served daily, exceeding the target of 60 daily meals that would be delivered to homebound seniors in the neighborhood.

It is my unfortunate that the Commission on Aging had concerns about the delivery of these services and awarded the contract to another agency in FY 1986-87.

Dr. Philip Lee, President
Laguna Honda Hospital
Page Four
November 4, 1986

Activity Therapy

- o A Health Worker III was hired and trained to provide therapeutic activities 20 hours a week in Wards K-6 and L-6 in April, 1986 instead of December 1986 as targeted, to meet State certification requirements.

New MBO objectives and measurable performance targets need to include the number of hours of therapeutic activity provided, number of patients involved in these activities, and the number of volunteers recruited to assist in therapeutic activities.

Volunteer Services

- o 85 volunteers were registered, substantially over the target of 45 volunteers.

This is excellent. Volunteers are critical in long term care facilities such as Laguna Honda.

For FY 1986-87, please include volunteer training activities as an MBO performance measure.

Buildings and Grounds

- o 1 hospital building was patched and spot painted quarterly as targeted.

This objective should be continued so that all the buildings will be patched and painted on a regular basis.

- o Interior stairwells were washed, patched and painted within the stated timeline.

Again, please include an on-going maintenance plan for this work in the MBO program.

- o Estimated completion dates for the architectural design plans for renovation of open wards, furniture purchase and replacement, and construction of isolation rooms that were planned to comply with the State's certification review were not met because of internal and external (state) review processes.

It is my understanding that all of these will be completed in FY 1986-87.

- o Cabinets to hold patient belongings were constructed in the estimated time.

Patient privacy was a major issue in the State's certification review and goals and objectives need to be included that address the issue of individualized patient clothing.

All of these performance targets in Buildings and Grounds were State certification issues and should be incorporated into MBO goals and objectives that can measure performance. Schedules for window cleaning and removal of pigeon dung should also be included.

Dr. Philip Lee, President
Laguna Honda Hospital
Page Five
November 4, 1986

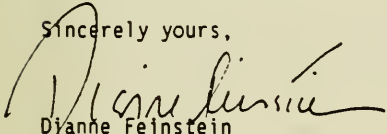
Last year, following the State's certification review that raised issues of concern, I requested the appointment of a "Blue Ribbon" Committee to review the operations of the hospital. The pro bono committee of civic and health care leaders is scheduled to issue a report in January, 1987. Please review their findings carefully and where applicable, their recommendations should be included as MBO goals, objectives and performance targets.

In my Budget Message for FY 1986-87, I asked both Dr. Werdegard and the Health Commission to make Laguna Honda Hospital a top priority. It is critical that the hospital continues to be a highly regarded public facility providing quality skilled nursing and long term care for our frail elderly and chronically ill.

Dr. Werdegard at my request has been spending a good deal of time at Laguna Honda and his recent temporary appointment of Dr. Mary Ann Johnson to serve on acute care services and quality assurance programs is a good temporary solution. The issue of the permanent appointment of a medical director needs to be resolved as well as a number of other administrative issues and vacancies.

The news that the State has renewed the hospital's license until September, 1987 and the federal Medicare agreement on the open ward waiver has been continued through May, 1987 is excellent news. However, the certification issues in 1985 and the citations this past May are of utmost concern to me. Substantive measurable progress has been made, but much also remains to be done. I ask that the Commission continue to pay special attention to Laguna Honda Hospital and use the MBO program to monitor, guide and set policy for the administration of this unique facility.

Sincerely yours,



Dianne Feinstein
Mayor

DF:SO

cc: Dr. David Werdegard, Director of Health
Ben Abramovitch, Administrator, Laguna Honda Hospital



November 4, 1986

Mr. Joseph A. Gaggero, President
and Members
Health Service System Board
1212 Market Street
San Francisco CA 94102-4861

Dear President Gaggero and Members:

The Health Service System's Management-by-Objectives (MBO) performance for Fiscal Year 1985-86 has been reviewed. MBO performance targets have been met or exceeded in most areas again in the past fiscal year.

In my MBO letter last year, I suggested that additional objectives with measurable targets should be included to reflect the Health Service System's continuing efforts to provide increased health service benefits to city employees and their dependents while containing the cost of health care. My staff will review the MBO goals and objectives with the Executive Director for additional performance measures that can further document the excellent services provided to current and retired employees of San Francisco.

In spite of the dramatic increases in medical care costs, HSS has been successful over the last two years in a net reduction in health benefit costs to employees of \$1.39 per month and have contained the cost to their dependents to a net increase of \$1.38 per month.

The following is a summary of the FY 1985-86 performance with my comments:

Membership

- o Initial unreconciled contributions was reduced by 20%, well over the projection of 13% and better than the 15% reduction in FY 1984-85.

The increased coordination with PPSD payroll personnel and the creation of additional allocation reports has obviously assisted in this reduction. As soon as staff is sufficiently trained, I ask that this performance target be increased to reflect these reductions.

- o This year, turnaround time on contribution refunds was successfully accomplished in 15 working days from date of receipt of reconciliation, a 33% improvement over the previous year's performance of 22.5 days.

The Controller's Warrant Issuance Control System is working well in achieving further reductions in the preparation and issuance of refund checks.

- o The number of days for processing the eligibility of employees and dependents from receipt of enrollment forms was achieved within the target of 15 days but below the achievement of 13.25 days in FY 1984-85. .

This is important to new employees and efforts to reduce the number of days for processing eligibility to the excellent performance of the previous year will be appreciated.

- o Membership records on 159,284 status changes of 75,000 currently enrolled employees and dependents were maintained within 12% of the target of 22,000.

Medical Claims

- o The timely processing of 159,284 medical claims was achieved; 6.2% over the estimate of 150,000 claims from 26,000 plus members in Plan I and 5.5% better than FY 1984-85.

For the current fiscal year, it is understood that the projection has been increased to 160,000 because of the anticipated increases in medical claims.

- o Claims checks were issued in an average of 14.25 days, exceeding the target of 15 days. Projections were revised from 13 days targeted the previous year to realistically plan for the anticipated volume of claims.

In response to the recommendations in the Controller's Audit Report of April 8, 1986 that adjustments to Plan 1 medical claims payments should have adequate controls to ensure adjustment transactions are proper, authorized and recorded, it is my understanding that HSS will use a standardized transaction request form to process medical claims. A MBO objective needs to be developed indicating percentage of times the transaction form will be used for number of claims.

A MBO objective should be incorporated for the current fiscal year that indicates the percentage of claims that will have prior certification for in-patient hospital claims; a new policy instituted by the Health Service System in response to recommendations in the Controller's Audit.

- o The number of errors remaining in the files for more than 5 days increased to 8, over the target of 0 errors.

I understand that a number of key accounting personnel transferred to other departments last year leaving HSS understaffed. My expectations are that the completion of the on-line Membership Accounting System approved in the budget for FY 1986-87 will assist in the documentation necessary to meet the target of 0 errors in the files for more than 5 days.

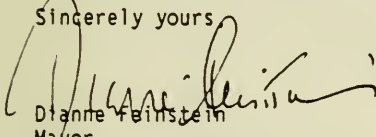
Administration

- o 100% of the department's employees were evaluated by department personnel.

A system for monitoring appropriate budget allocations for charter revisions such as the health service benefits for surviving spouses that was approved by the voters in June 1984 needs to be implemented in order to avoid the situation that occurred in late June 1986 when it was discovered that over \$1. million needed to be recaptured from FY 1985-86 funds to cover the costs of this benefit for that fiscal year. My staff will discuss this with the Controller's Office.

The Health Service System continues to effectively handle the increased responsibilities in membership growth while providing cost effective benefit programs for the City's employees. I would like to take this opportunity to thank the Health Service System Board and your director, Randall Smith and staff for the hard work and commitment you have shown to provide quality health services to city employees.

Sincerely yours



Dianne Feinstein
Mayor

cc: Randall B. Smith
Executive Director
Health Service System

MBO Performance Assessment

HEALTH SERVICE SYSTEM

<u>Objective</u>	<u>FY 1984/85</u>		<u>FY 1985/86</u>		<u>FY 1986/87</u>
	<u>Actual</u>	<u>Target</u>	<u>Actual</u>	<u>Target</u>	<u>Target</u>
<u>Membership</u>					
% decrease in unreconciled contributions over current level by end of fiscal year	15%	13%	20%	13%	13%
# working days turnaround time on contribution refund from date receipt of reconciliation	exceed 22.5	27	15	15	15
# status changes of all currently enrolled employees and representatives maintained	25,300	25,300	19,625	22,000	20,000
# working days to process terminations of all employees from receipt of notice	13.5	10	N/A	N/A	N/A
# working days to process eligible employees & dependents from receipt of enroll. form	exceed 13.25	15	15	15	15
<u>Medical Claims</u>					
# of timely processing of medical claims received from 26,000 plus Plan I members	exceed 151,036	110,000	exceed 159,284	150,000	160,000
% decrease in number of EDP transactions by pursuing quality control procedures	3.75%	5%	N/A	N/A	N/A
# average days to issue claim checks that have proper and complete documentation	met 14.25	13	met 14.25	15	15
# errors remaining in FAMIS error file more than 5 days	met 2.5	0	not met 8	0	0
<u>Administration</u>					
% of department's employees evaluated each year	100%	100%	100%	100%	100%

Document #0927r Date 8/25/86



October 9, 1986

The Honorable Marjorie G. Stern
President and Members
Library Commission
Civic Center
San Francisco, CA 94102

Dear Commissioners:

I have just completed a review of your 1985-86 Management by Objectives performance. Once again you have achieved significant gains in circulation and the number of library patrons served. Performance results indicate that our public library system is one of the most widely used cultural and educational facilities. As in past years, I will discuss each area in some detail.

SYSTEMWIDE

Systemwide, circulation reached 3,223,351, a 9% increase from 1984-85, resulting in a per capita circulation of 451, also an increase from the previous year's 4.2. The total patronage count for 1985-86 was 3,438,319. We were unable to determine a total systemwide patron count for 1984-85 as the Main Library's automatic counter was not functional during the lobby renovation period.

MAIN LIBRARY

The Main Library at Civic Center experienced an 8% increase in circulation, from 875,319 to 945,537. This figure does not include videotapes circulated out of the Main Library. The tremendous increase in the number of videotapes circulated from 65,454 in 1984-85 to 107,893 in 1985-86, a 65% increase, is attributable to the growing popularity of video cassette recorders for the home.

The Talking Books statistics are no longer included with the Main, since this activity is housed in the Presidio Branch. Although counted as part of the Branch Operations, the Talking Books circulation is not included in the Presidio Branch's circulation of books and periodicals. The number of Talking Books circulated in 1985-86 was 33,335, almost exactly the same as the 33,157 in 1984-85.

There were modest gains for the Business Branch. A total of 20,915 materials were circulated, up slightly from the previous year's 19,005. The number of patrons increased 6%, from 156,762 to 166,594. The most significant improvement was seen in the unit cost, which dropped from \$.045 to \$.040.

RESOURCE BRANCHES

Branch	<u>Circulation</u>		<u>Unit Cost</u>		<u># Patrons</u>	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
Chinatown	278,031	321,735	1.11	1.17	390,642	517,048
Excelsior	92,164	106,084	3.12	2.50	130,350	114,347
Marina	119,217	122,514	2.71	2.26	134,349	153,107
Mission	121,646	139,531	2.05	1.88	135,888	170,167
Richmond	236,981	265,951	1.49	1.33	247,530	301,466
Sunset	162,757	168,006	1.90	1.90	175,411	218,808
West Portal	185,881	188,373	1.32	1.48	136,053	150,580
	Average		1.96	1.79		

Once again the seven Resource Branches did extremely well. Every branch in this group increased circulation, some dramatically and the average unit cost dropped from \$1.96 to \$1.79.

Chinatown has to be mentioned again, with circulation up 16%, from 278,031 in 1984-85 to 321,735 in 1985-86. If we go back one year to 1983-84, when total circulation was 188,463. This translates into a staggering 71% increase in two years' time. The addition of the new children's room proved to be a good investment.

The Excelsior Branch, which was experiencing a slight decline in circulation in 1984-85, has made an encouraging comeback in 1985-86. Circulation increase 15%, from 92,164 to 106,084 and the unit cost dropped from \$3.12 to \$2.50.

LARGE NEIGHBORHOOD BRANCHES

Branch	<u>Circulation</u>		<u>Unit Cost</u>		<u># Patrons</u>	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
Merced	101,306	103,864	1.57	1.85	51,188	61,826
North Beach	78,134	92,468	2.08	1.65	87,123	82,043
Ortega	79,857	89,052	2.09	1.89	68,269	105,825
Parkside	83,483	96,132	1.88	1.68	72,627	68,322
	Average		1.91	1.77		

All branches in this group made significant gains. Circulation was increased in every case and the average unit cost was reduced from \$1.91 to \$1.77.

As part of last year's MBO review, I indicated concern about the reduced levels of service at the Ortega Branch. I am happy to note that circulation at this branch increased 12%, from 70,857 in 1984-85 to 89,052 in 1985-86. Even more impressive is the 55% increase in the number of patrons, from 68,269 to 105,825. Unit cost also dropped from \$2.09 to \$1.89.

MEDIUM SIZE NEIGHBORHOOD BRANCHES

Branches	<u>Circulation</u>		<u>Unit Cost</u>		<u># Patrons</u>	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
Anza	71,187	75,844	1.97	1.93	60,344	75,738
Eureka Valley	57,731	55,888	2.40	2.56	40,537	46,395
Golden Gate Valley	47,570	45,326	2.63	2.90	25,069	28,617
Noe Valley	44,351	46,094	2.68	2.78	30,019	26,223
Park	38,429	37,254	3.07	3.25	51,193	47,770
Western Addition	53,797	58,334	2.85	2.97	39,045	51,629
	Average		2.60	2.73		

Although there were no serious deficiencies in the performance of the medium size neighborhood branches, Eureka Valley, Golden Gate Valley and Park did experience a slight decline in circulation. As a result, the average unit cost for this group went up from \$2.60 to \$2.73.

The bright spot is the 8% increase in circulation at the Western Addition Branch, from 53,797 to 58,334. The patronage count also increased, from 39,045 to 51,629, representing a 32% gain.

SMALL NEIGHBORHOOD BRANCHES

Branch	Circulation		Unit Cost		# Patrons	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
Bernal	23,042	22,089	5.11	5.22	29,253	30,720
Glen Park	29,506	30,972	3.24	3.24	19,586	21,330
Potrero	27,754	31,807	4.32	4.05	25,569	26,840
Presidio	34,237	37,130	3.13	2.64	34,443	41,412
Waden	15,872	16,273	7.80	7.23	29,165	31,837
	Average		4.72	4.48		

Every branch, with the exception of Bernal, registered gains in usage and circulation. The average cost dropped significantly, from \$4.72 to \$4.48.

For the first time in four years, the unit cost for the Waden Branch dropped from \$7.80 to \$7.23. Although the Waden unit cost remains the highest in the system, this trend reversal is important, along with the increasing circulation and patronage. I am satisfied that the Commission has responded effectively to my past concerns about the Waden Branch.

READING CENTERS

Branch	Circulation		Unit Cost		# Patrons	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
Ingleside	15,927	16,697	3.76	4.06	22,118	22,456
Ocean View	10,094	10,015	5.97	6.38	15,857	14,796
Portola	15,385	17,423	4.50	4.10	26,148	18,825
Visitation Valley	19,294	21,215	3.37	3.32	19,117	24,474
	Average		4.40	4.47		

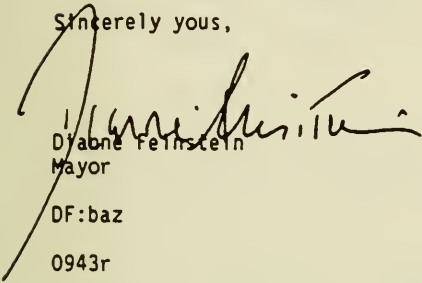
Of the four reading centers, only Ocean View did not increase circulation. The average unit cost went up, from \$4.40 to \$4.47. I would ask the Commission to take a close look at the unit costs of the Ingleside and Ocean View centers, which increased significantly while other centers were able to reduce costs. Corrective action may be needed to improve performance at these two Centers.

Portola, with its 13% increase in circulation, and Visitation Valley, with a 10% circulation, were able to cut their unit costs.

It is a pleasure to share these observations with you. Your overall MBO performance was excellent, with no serious problem areas. My staff informs me that you have just submitted new objectives for the acquisition and repair of books. I look forward to the next MBO review which will include these additional performance measures.

Congratulations for a job well done.

Sincerely yours,



Diane Feinstein
Mayor

DF:baz

0943r



November 5, 1986

H. Welton Flynn, President
and Commission Members
Public Utilities Commission
287 City Hall
San Francisco, CA 94102

Dear Commissioners:

My review of the Public Utilities Commission's Management-by- Objectives (MBO) performance for FY 85-86 indicates continued, praiseworthy achievement and improvement in many areas. However, it also reveals some continuing problem areas.

With able management and staff, the PUC has overseen three of the City's largest and most complex departments -- and the bureaus that provide support -- through some major challenges. The dedication and conscientiousness you bring to public service is to be commended.

And it is clear that the successes you have achieved were possible in large part due to the commitment, and firm, wise and judicious leadership provided by your General Manager, Rudy Nothenberg, and his staff. As Rudy goes on to his new role as the City's Chief Administrative Officer, filling his shoes will be one of the major challenges of the current year.

My priorities for the Public Utilities Commission are:

1. To provide consistent, safe, courteous public transit service.
2. To assure that our inventory of vehicles and facilities are clean and maintained in top condition.
3. To guarantee an uninterrupted supply of fresh, clean water now and in the future.
4. To safeguard our municipal power facilities and our right to generate electricity, and revenues from these resources, for the benefit of current and future San Franciscans, with maximum consideration for preserving and protecting the environment.
5. To support our basic transit, water and power operations with efficient support services.

You have already reviewed many of the details of your MBO performance for FY 85-86 through your PUC year-end Performance Reports and directly with the Department and bureau heads. Therefore, in my reviews below, a brief acknowledgement of particular areas of achievement is followed by more detailed comments only on some of my specific concerns.

MUNICIPAL RAILWAY

Highlights of the year included:

- o Vehicle availability met or exceeded targets for all modes except LRVs (which at 103%, 1% below target, was still sufficient to meet scheduled service levels).
- o Vehicle reliability continued to improve, dramatically in two modes: diesel buses averaged 1564 miles between roadcalls, an increase of 46% above last year; LRVs averaged 1895 miles between roadcalls, an increase of 35% above last year.
- o Vehicle preventive maintenance inspections were conducted on schedule: zero scheduled weekly inspections were overdue.
- o The number of accidents was at or below target, based on a standard measurement of accidents per million miles, for all modes except cable car and articulated diesel buses. The accident rate systemwide was 116 per million miles, down 9% from the 127.5 accidents per million miles in 1984-85.
- o LRV line delays due to facilities-related incidents continued to be less than target throughout the year; the percentage of facilities-related line delays was .08% when the target was a maximum of .25%.

Improved reliability can be attributed largely to improved preventive maintenance, repeat roadcall monitoring, and intensified quality assurance inspections. Institution of a vehicle cleaning inspection program during the year is an important adjunct to other maintenance objectives, particularly at a time when we are struggling with graffiti.

I am very proud of the real, major, progressive turnaround in Muni vehicle maintenance that has been accomplished over the past few years. This is due to good work by employees, strong management, and a significant infusion of funds for maintenance staff, supervision, quality assurance, parts/storeroom staffing/materials management systems, and other improvements. The kind of awareness and planning that developed the Trolley Rebuild Program, the second year of which was on schedule in FY 85-86, and the Diesel Engine Rebuild Program beginning in FY 86-87, are signs that Muni's future is off to a good start in capable hands.

The future of the Muni Metro system remains a concern given that we are operating with cars that are no longer being manufactured. Progress on the vehicle modifications now underway to improve maintainability, reliability, and passenger comfort is a hopeful sign.

However, as noted last year and the year before, progress on longer-range improvements, including expansion of the system and fleet, should be monitored regularly at the Commission level.

Major problems during the year were:

- o Only the LRV division met targets for missed service, and even LRV missed the target in the fourth quarter. The target for weekly average percentage of missed service hours was 1%. The results were: Diesels (2.13%), Trolleys (2.37%), LRVs (0.77%; 2.63% in the fourth quarter), Cable Cars (2.84%).
- o Facilities preventive maintenance performance fell below target, and custodial inspections, conducted for the first time during the second half of the year, also showed performance less than targeted, particularly in Muni Metro stations.
- o Operator conduct complaints averaged 12.5% over target. The average quarterly target was 136 complaints, and the average result was 153 complaints.

The problems to be addressed as of the end of the 1985-86 fiscal year include two of the same problems cited both in last year's FY 84-85 MBO performance review letter and in the FY 83-84 MBO performance review letter the year before that: missed service due to no operator and operator absenteeism.

On-Street Service and Absenteeism. Last year my letter noted, *"Clearly, the sharp spotlight of attention must remain focussed on Operations...Muni is continuing to miss runs, not because of vehicle shortages, but because of failure to have enough operators available to meet every run."* Just as clearly, those statements remains true today.

The level of missed runs due to lack of operators in the fourth quarter of FY 85-86 was totally unacceptable. Since then there have been significant efforts to 1) fill all available operator positions and train those new operators, and 2) reduce absenteeism, including goals agreed to by both the Transit Workers Union and management in the latest Memorandum of Understanding. With the additional operators, it is projected that no runs should be missed for lack of operators by February 1987.

I am dismayed that absenteeism was not tracked at the Commission level in FY 85-86, despite the importance attached to that factor for the past two years. However, I understand that it is being monitored once again at that level in the current year. I expect the Commission to monitor absenteeism routinely. There should not be a need to repeat these concerns at the end of FY 86-87.

Facilities Maintenance. Certainly, high position vacancy rates in Facilities Maintenance in FY 85-86, mandated by unusually high salary savings requirements, contributed to less-than-targeted performance. Salary savings inequities were corrected in the FY 86-87 budget, and I expect performance to show commensurate improvement.

Finally, Muni's passenger load standards indicated overcrowding on crosstown diesel and trolley lines in the morning peak, and on LRV lines, downtown diesel and trolley lines, and crosstown diesel and trolley lines in the p.m. peak. Although it appears from those standards that some of that problem can be corrected through reallocation of existing service from uncrowded lines, additional service for Muni is warranted.

Therefore, as announced in my State of the City address, an additional \$2 million annually in Muni service has been authorized, beginning in the latter half of FY 86-87. Along with improvement in filling operator positions and reducing operator absenteeism (and the accomplished new standards in vehicle maintenance), *less overcrowding, and fewer passenger complaints*, is expected in FY 86-87.

While your MBO program covers many other areas, I will keep my comments to these key areas.

WATER DEPARTMENT

In general, the Water Department's achievements during the year were exemplary.

A supplemental budget request to support the Watershed Management Program was approved, and implementation was begun with roadway firebreak maintenance by the San Francisco Conservation Corps. Development of a Resource Plan jointly with Hetch Hetchy was begun, as was a Records Management Program. Both programs continue in FY 86-87.

Administrative Division

The schedule requirements of the rate agreement were met by submittal to the PUC of the water revenue requirement and establishment of FY 86-87 water rates for City and suburban customers.

City Distribution

Contracts for the replacement of 25,500 feet of deteriorated mains exceeded the target by 28%.

The total of obsolete and deficient service lines renewed - 2,625 - exceeded the target by 9%. The average time of 3.3 hours per incident of water outage due to main breaks was within the target of 4 hours.

The target, to flush 1.9 million feet of water mains during the year, was missed by 41% (1.1 million feet flushed). This was due primarily to an over-estimation of capabilities at the time this goal was set:

Flushing goals for the previous four years had been 1 million feet, and actual flushing had averaged 1.2 million. Both a more realistic target and performance improvement appear to be in order.

Commercial

An intensified and on-going telephone contact campaign resulted in continued reduction in the dollar amount of past due accounts. All targets (100%) for reviewing delinquent accounts, contacting by telephone

and issuing verbal shut-off notices were met. At year's end, accounts delinquent 91 days or more had dropped 86%, from \$132,000 to \$18,700.

With the last of 22 inspectors and senior inspectors completing cross-connection training on schedule, all inspectors and supervisory personnel within this section have been trained in this important area of water quality.

Water Quality

All required water quality monitoring samples were collected and tested as scheduled, and all 30,253 test results met the regulatory criteria.

All water quality complaints were responded to in less than four hours and emergency complaints were responded to within two hours. Samples were taken and tested, and consumers were notified of test results within one day of test completion.

The number of backflow prevention (also known as cross connection) devices tested increased from 700 in the previous year to 1,321, but this still fell short of the target by 20%.

With the number of new devices entering the system increasing dramatically, more administration attention and support for handling this function is needed.

Suburban

The target for meters calibrated, 160 annually, was exceeded by 6 (4%). Thanks in part to the assistance of the San Francisco Conservation Corps, maintenance of roadways, right-of-ways and fire breaks surpassed the scheduled amount by 8%.

There were two unscheduled service interruptions during the year, when the target was zero. Equipment maintenance objectives were missed when one piece of heavy equipment was out of service for more than five consecutive days on four separate occasions during the last quarter; the target is to limit out of service occasions to one each quarter. The necessary piece of equipment is budgeted for replacement in FY 86-87.

Hazardous Materials Management

A HAZMAT Committee was formed, chaired by the hazardous materials coordinator and including designated site coordinators responsible for the more than 90 facilities located throughout the four counties in which the Department operates. This committee formed the network for distributing worker right-to-know information, coordinated the preparation and maintenance of information about each hazardous material, and began definition of the Department's training needs. As of the current 1986-87 fiscal year, 3700 individual substances have been identified, and all potentially hazardous materials have been properly stored or disposed of.

A second objective of establishing procedures for monitoring the hazardous materials management of lease holders on Water Department land was not met due to the level of effort needed on the internal committee work, and is continued in FY 86-87.

HETCH HETCHY

Progress was made on long-term contract negotiations with PG&E; however, progress in negotiating with the Districts was delayed by the PG&E negotiations. The City/PG&E/Districts all agreed on a schedule to draft tentative contract language by the end of 1986. Hetch Hetchy met targets for delivering 100% of the domestic water required by the Water Department and for providing at least 99.6% of Muni's electrical transit power requirements.

Problem areas were in the percentage of street light outages corrected within 24 hours of notification (target was 90%; results in the second quarter was 85%, in the third quarter only 53%, and in the fourth quarter 75%), and in converting high-voltage streetlights to more energy-efficient units (target was 400 units converted; result was 335).

The deferral of non-critical maintenance on vehicles and heavy equipment during the unusually heavy storms of February resulted in missed targets for two objectives: vehicle maintenance performed as scheduled was 93% when the target was 100%; heavy equipment availability was 93% when the target was 95%. Fortunately, there were no negative impacts on service as a result of the missed targets.

Similarly, because the failure of generating unit #2 at Holm Powerhouse occurred at the end of the runoff season, the Department estimates the net revenue effect of the outage to be negligible.

The scheduled replacement of stator windings and exciters on both generating units in FY 86-87 is proceeding on schedule; generating Unit #2 was restored to operation on October 27, and work now is underway on generating Unit #1.

Construction of the Moccasin Low-Head Hydro Plant and equipment installation continued through the year toward the target of operation in FY 86-87. Construction was completed on September 15, and is now being tested in anticipation of full operation by November 15.

And construction of the Kirkwood Powerhouse Third Generator advanced toward the completion target of April 1987, in time for spring runoffs.

PUC BUREAUS

Utilities Engineering (UEB)

This was the first full year of tracking new performance objectives and targets at UEB, a long-awaited and needed improvement.

Schedule adherence for A and B priority projects (92% and 82%, respectively) exceeded targets by 2%. Budget adherence (at 87% and 71%, respectively), however, did not meet targets.

During the year, UEB completed 10 A priority projects and 3 B priority projects; at the end of the year, 10 projects were not started and 98

projects were underway. Projects highlights were:

- o reconstruction and additions to the Market Street overhead system -- completed ahead of schedule, below budget;
- o Metro Annex -- completed ahead of schedule, below budget;
- o Forest Hill Station -- finally completed;
- o Moccasin Low-Head Power Plant -- substantially completed and now undergoing final testing;
- o Third Kirkwood Powerhouse generating unit -- on schedule for April 1987 power generation.

There were also some notable setbacks:

- o Construction of the Cherry-Eleanor Pumping Station was suspended when high water levels and subsequent failure of one of the Holm Powerhouse generators precluded construction and led to reconsideration of the design;
- o Harrison Street Muni Diesel Facility did not complete design as scheduled when the design consultant's estimated construction cost exceeded available funds.

The objective of completing the \$1.9 million organizational effectiveness program tasks on schedule was not met, but significant progress was made. UEB's four divisions (Project Management, Engineering Services, Construction Engineering, and Administration and Planning) completed 35 (78%) of organizational development targets (45 in all).

Achieved were improvements in procedures for preparing project management plans, baseline planning, and project reporting; procedures for design criteria, estimating, work scheduling and recording, and personhour reporting; procedures for constructibility reviews, inspection plans, preconstruction conferences, contractor evaluations, submittal processing, contract modifications and change orders, standard forms/formats for reporting construction progress and standard checklists for 10 key internal operating procedures, and installation of computer systems for project management, information, design, drafting and office automation. UEB sponsored over 30 different training activities reaching 159 employees, and a bi-monthly newsletter was inaugurated. This is most encouraging.

Tasks not achieved, and now scheduled for completion in FY 86-87, included implementation project close-out procedures, budget and scheduling tracking reports by the engineering services division, administrative provision of data processing and information services as needed, implementation of administrative project control services, and publication of an administrative services manual.

Finance

Targets were met for such financial transactions as expenditure controls, quarterly project reports to UMTA, budget and CIP processes, and performance monitoring. However, the percentage of Muni vehicles probed daily at 87% was below target (90%).

Transit Impact Development Fee collections were systematized and collection efforts enhanced, resulting in \$18.6 million collected as of June 30, 1986 (total collected on year previous had been \$3.3 million).

All 5000 PUC employees were smoothly converted to the city's new payroll system in a joint effort among Finance, BMIS and Personnel. This was an exceptional achievement.

Management Information Systems (BMIS)

Full staffing-levels were reached for the first time in the history of this bureau.

Central data processing facilities were upgraded, and day-to-day computer production goals were met (98%); CPU up-time was 100%.

A new Timekeeping/Personnel System was implemented which allows not only the immediate benefit of prompt and accurate payroll payments but the foundation for automated attendance tracking.

A new accident reporting system was implemented in May to help Muni analyze high risk situations for potential corrective actions, and development was begun on schedule for a new vehicle maintenance information system. Implementation of a Claims Reporting System eliminated the future need for \$120,000 in outside data processing services.

However, development of the water/sewer billing system for the Water Department's Commercial Division was delayed by six months.

Personnel and Training

The AA/EEO, Operations, Discipline and Examinations units of this bureau generally met targets: 179 disciplinary actions were completed, 25 eligible lists were adopted, 5 requests for Non-Civil Service recruitment and 37 oral authorizations were processed, 26 cases of alleged discrimination by PUC Departments/Bureaus were closed.

In the first year of their use, over 90% of turnaround targets -- working days required to complete -- for such personnel actions as requisition requests and limited tenure processing requests were met. This was made possible with the automated Position Reporting System, which was fully operational during the year to ensure timely and accurate updating of position and employee data.

The PUC five-year Affirmative Action Plan was 90% as of the end of the year, and the Discipline Manual was revised and ready for publication in FY 86-87.

Internal administrative procedures that were developed during the year included: Limited Tenure processing, Assault Pay, TCS and PCS Transit Operator hiring, and Leaves.

The Bureau worked with Finance and BMIS to convert to the automated city Payroll Employment Information System.

Administration

There was a 13% reduction in the total cost of claims settled: 2,042 new claims for personal injury and property damage with a total value of \$73.2 million were filed during the year, and 1,234 were settled at a cost of \$4.8 million (compared with 2,145 new claims and 1,264 settlements at a cost of \$5,560,104 in 1984-85).

The average cost per claims decreased 11% from \$4,399 in 1984-85 to \$3,897, and the number of claims settled in-house increased 1.3% (but less than the target of 5%), from 868 to 879.

The percentage of awards of prime contracts to MBEs (48.2%) exceeded target (PUC target was 30%, City minimum requirement for MBE participation is 10%). The percentage of awards to WBE prime contractors met the City's minimum requirement of 2%, but failed to meet the PUC target of 10%.

UMTA-funded contracts awarded during the period to DBEs met the target of 25%, but none were awarded to WBE's, failing to meet the PUC target of 7%.

A Protective Services Investigator position was added in this budget year to assist the Director of Security, and staff completed 94 investigations, an increase of 23% over the previous year. Working with the Police Department, individuals illegally obtaining Muni transfers were identified and arrested; investigations also led to the arrests of individuals committing acts of graffiti on Muni buses.

Water Department and Hetch Hetchy security program installation was ahead of schedule. A PUC Security and Communications Headquarters was established at Muni Presidio; security staff will monitor television consoles linked to the alarms, access control and closed circuit television systems at the various Muni divisions, which will reduce personnel required for roving security patrols by 15%. The new deadline for complete installation of the Muni security equipment program was scheduled for October 1986.

Energy

Most energy conservation (retrofit) capital improvement projects met the schedules established.

Lighting retrofit projects at nine Unified School District sites were completed on target, which will produce a yearly savings of \$100,000 (market rate).

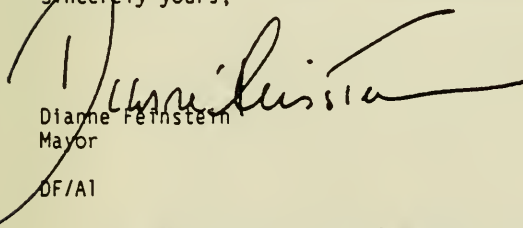
Energy audits for 16 city sites and heating plant surveys for 66 boiler plants (100 boilers) were completed. The audits identified \$170,000 in capital improvements, to be submitted for CIP funding next year, which will save \$150,000 per year. It is proposed to finance boiler modifications through Third Party financing. An RFP for Third Party Financing at the Youth Guidance Center was released in the fourth quarter; the proposed project will attract \$100,000 in energy-conserving projects for the facility.

Installation of solar hot water systems at four public housing projects and improvements to boilers in 17 public housing projects were completed.

Work on the cogeneration project at SF General Hospital was suspended due to the recent unfavorable benefit cost ratio of producing electricity through cogeneration.

Overall, employees of the Public Utilities Commission have done an excellent job of operating public services vital to San Francisco. My best wishes and encouragement for continued success.

Sincerely yours,



Dianne Feinstein
Mayor

DF/A1

cc: Rudy Nothenberg, General Manager, PUC
William Stead, General Manager, Muni
James Cooney, General Manager, Water Department
Dean Coffey, General Manager, Hetch Hetchy
Leo Jed, Utilities Engineering Bureau
Anson Moran, Bureau of Finance
Hans Loffeld, Bureau of Management Information Systems
Andrea Gouridine, Bureau of Personnel and Training
Joseph Johnson, Bureau of Energy Conservation
Deborah Rohrer, Contracts and Claims
Charles Richardson, Investigative and Security Services



December 1, 1986

Through Roger Boas, Chief Administrative Officer

Donald J. Birrer, Director
Department of Public Works and Clean Water Program
Room 260, City Hall
San Francisco, CA 94102

Dear Mr. Birrer:

I recently completed my review of your department's MBO performance for Fiscal Year 1985-86. The Department of Public Works is to be commended for achieving approximately 90% of its objectives. I am pleased that many bureaus within the department continue to refine their MBO objectives and measures, thereby making the program a more meaningful and useful tool for DPW managers.

Street Cleaning again met or exceeded most targets:

- o 143,885 curb miles of City street were swept. This figure includes mechanical sweeping in both controlled and uncontrolled parking areas. This well exceeds the target of 119,892 miles. The overage is the result of work done in uncontrolled parking areas. Looking at controlled parking areas only, the Bureau achieved 87,666 of 90,270 targeted miles. However, your target has been set at the the total number of miles achievable assuming there are zero missed runs for the entire year (an unachievable target). I would ask that this target be adjusted so that the Bureau would aim for 95% performance.
- o The target for street flushing was slightly exceeded. On average, 13.10 labor hours were required for each ton of debris removed, where the targeted limit was 14.20 labor hours. This is approximately the same performance as the previous year, and therefore, I request that the target be appropriately reduced.
- o You removed fewer tons of litter than anticipated (18,768 tons vs. 19,580 tons the previous year). This is the first time in many years that this figure has dropped. I am concerned, however, because in my opinion the amount of litter on the street has not decreased. The cleanliness of our streets is a major component of the quality of life in San Francisco. With this in mind, I urge that the Street Cleaning Program be made your number one priority, and that this be reflected in your FY 87-88 budget request.

- o 756 litter citations were written and 1176 official notices of violation (warnings) were given out between the time DPW took over the litter enforcement program (in April of 86) and the end of the fiscal year. This represents a major increase in enforcement. I am very pleased with your efforts in this area, and hope to see enforcement continued and reinforced.

Urban Forestry met its major targets for pruning of street trees.

- o 7,018 regular street trees received complete maintenance, exceeding the target of 5,742. The amount actually achieved represents an approximate three year pruning cycle; I don't believe we should allow performance to fall below that level, and request that the target be increased accordingly for 86/87.
- o 660 trees (over 20' high) were pruned, exceeding the target of 500. The results achieved represent a seven year pruning cycle, and again, I request that the target be brought up to this level.
- o The performance targets for the maintenance of landscaped areas were achieved. Particularly important was completion of work on the Sunset Boulevard irrigation system.

Street Repair achieved most of its 85/86 objectives.

- o Over 83 lane miles were resurfaced, while the target was 67 lane miles. The target has been shifted to 80 miles for the current year.
- o 19,522 potholes were filled, slightly below the 20,000 target. However, response time to pothole complaints was down to less than one day (the target), much improved over the performance of the previous year, where 1.5 days were required.
- o Nearly 62 lane miles received slurry seal treatment, well below the target of 85 lane miles. This was due to aging equipment, and was the second straight year that a problem has existed. This should be solved this year with the purchase of a new slurry seal truck, and the target has been increased to 95 to reflect this improvement. Please work to attain this new target.

- o I am extremely concerned that the level of street resurfacing be sufficient to keep the City on an optimal paving cycle. Please work closely with my office and our legislative advocate to ensure that the City receives adequate state funding to accomplish this.

Sewer Repair met or exceeded almost all of its objectives.

- o 410,000 lineal ft. of sewer were cleaned, well in excess of the 300,000 ft. target.
- o the target for cleaning catchbasins was slightly exceeded, and you were able to respond to flooded catchbasins within 8 hours 100% of the time.
- o Targets for most types of sewer repairs were exceeded.

Building Inspection continued to have problems dealing with an increasing workload.

- o In Permit Processing, only 63% of submitted plans were checked within 18 calendar days, and only 73.7% of new building permits were completely processed within 35 calendar days. My staff has informed me that this reflects, in part, the Bureau's reorganization efforts, where more functions, such as small alterations jobs, were shifted over to the counter. However, BBI must make every effort to provide the best service possible to the public. Please provide a plan to attain your MBO targets in Permit Processing.
- o Since permit processing involves more than one department, I am requesting that BBI cooperate to the fullest extent with my staff in the development of a one-stop permit center. As conceived, the process at the one-stop center will include three steps: Initial review for completeness at a take-in desk, review by specialists to identify special issues pertaining to building, planning, or fire permits, with applications being sent to those departments responsible for making further review, if needed. All applicants would be notified after this second step, making them aware of any potential problems and letting them know where their permit is within the process. The third and final step would be that intensive review and sign-off by the departments dealing with those special issues. The one stop-permit center must be a high priority for BBI this year as it must also be for Fire and City Planning Departments. The success of this effort to improve coordination and speed-up the permit process will depend on the level of effort made by each department.

- o Construction Inspection exceeded its target of 11 in-progress inspections per day (the actual performance was 12 inspections). This reflects a solid level of effort on the part of our construction inspectors. I am concerned, however, that the target may actually be set too high, and that the number of inspections may impact the quality of each. I would ask that you consider the standards of other major cities and see if the target is reasonable based on their experiences.
- o In Code Enforcement, 1,439 complete inspections were made on multi-unit structures, well in excess of the target of 1,000. I would ask that this target be increased to more closely reflect achievable performance.

I will be looking for continued improvement in the code enforcement pilot project with City Planning. DAHI Inspectors are well positioned to help the Department of City Planning enforce our Planning Code. I understand that the Permit History Project would release some of the burden off City Planning for providing initial permit history data, and am prepared to fully support this project. In the meantime, please continue to work with City Planning to expand the pilot project, which now operates only in the Richmond District.

Most key objectives within the Bureau of Building Repair were achieved.

- o Rework was required in less than 0.04% of building repair jobs, indicating that City agencies are pleased with the quality of workmanship. Good work.
- o The Bureau met its target for the amount of janitorial labor hours required per thousand feet of surface area (.33 hours), exceeding industry standards.

The Bureau of Engineering performed extremely well, showing significant improvement.

- o In Street Use Control, over 99% of submitted claims were investigated within one month.
- o 7,564 actions were initiated to cause substandard street and sidewalk locations to meet codes, well above the target of 6,000.
- o 95% of subdivision and condominium maps were processed within one day.
- o Under Capital Projects, 72% of design projects were completed within schedule, up from 60% for the previous year. I hope that the Bureau will continue to show improvement, and will exceed the target of 75%. Please let me know if my office can be of assistance in this area.

- o I am pleased to learn that the Bureau of Engineering's MBO has been completely revamped for the current year, with objectives in place for each activity. Once again, DPW is showing its commitment to the MBO program.

The Bureau of Architecture provided a major achievement in its delivery of Capital Projects services.

- o 99% of its design projects and 97% of its construction projects were completed on schedule and within budget.

The Bureau of Water Pollution Control met its objectives for compliance with local, state and federal clean water standards.

- o Compliance was achieved for settleable solid and chlorine residual standards.
- o Appropriate maintenance levels at water pollution control plants were achieved, while keeping labor costs within acceptable ranges.
- o Targets were reached for each category of lab test within the MBO program. In all , over 45,000 lab tests were conducted in plant control and over 21,000 in pretreatment and user charge programs.
- o Over 1,300 enforcement inspections were made, keeping over 98% of industries in compliance with existing standards.

Again, I wish to commend you and your employees for their hard work and dedication to public service. To bring to light some of DPW's special achievements, I would like to mention the following:

- I can't thank you enough for the help and support DPW has given to San Francisco ALIVE, our program to keep the City clean and beautiful. The volunteer efforts your employees have made is truly exemplary. The Bureaus of Building Repair and Street Cleaning are to be specially commended for their fine work and support.
- DPW's response to the problem of abandoned automobiles on City streets will not be forgotten. The Department's willingness to jump in and help in a tough situation is proof of its commitment to service.

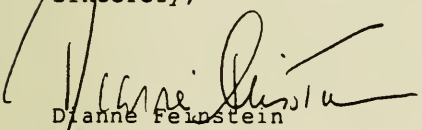
The Department's efforts on the continuing Citywide telephone project are to be commended, as well. The Department has worked effectively in a difficult area, with the result of an improved system at maintained or reduced cost.

- The Pavement Management Study, conducted by the Bureau of Engineering, indicates that we must pay special attention to the problem of deteriorating streets. As I mentioned earlier, I will work closely with you to identify funding for this needed work. I must insist, however, that those streets in greatest need of repair receive top priority.
- I await the result of the Seismic Survey Study, funded over the last two years and complete.
- I appreciate DPW's leadership role in overseeing the City's traffic-related needs. Parking and traffic are considered most serious problems by the public, and I appreciate that your department is committed to finding solutions.

I look forward to seeing construction take place on the Great Highway and the first phase of the Seawall. Residents of Ocean Beach have been patient through some difficult years, and these projects will provide major enhancements to their community.

In conclusion, I wish to compliment you and the entire department for performing excellent work. I will do whatever I can to support your efforts.

Sincerely,



Dianne Feinstein
Mayor

January 12, 1987

Marvin Geistlinger
Director, City Purchasing Department
City Hall, Room 270

THROUGH: Mr. Rudy Nothenberg, Chief Administrative Officer:

Dear Mr. Geistlinger:

I have reviewed the annual Management-by-Objectives (MBO) performance report for the Purchasing Department for Fiscal Year 1985-86. I am pleased to see that there has been a significant improvement in the department's performance in those areas addressed by the MBO objectives, and that most of these objectives were achieved. However, there are areas in the department which remain troubled.

During the 1985-86 Fiscal Year, and through the first half of the current year, it has been necessary for your department to take on a number of major issues, some of which are very complex and time consuming. These include the Minority Business Program, the restrictions against companies doing business in South Africa, responsibilities within the Toxic Waste Program, and implementing the contracts for the towing of abandoned vehicles. You have also been working on the modernization of the department through increased automation.

These programs have taxed the resources of the department to the maximum. Meanwhile, it has been incumbent upon you to establish priorities and to fold the new obligations into your existing functions. One of the first requirements has been to reorganize the department to be more efficient and effective. I understand that this process is underway as a programmer/systems analyst is now on board and that you have just hired a Director of Finance.

Given this situation, I appreciate your efforts to improve the department's MBO performance over prior years; also your response to the recent management audit performed by the Controller's Office has been impressive. As recommended by the management audit and emphasized in last year's MBO letter, the Buying Division has been restructured to accomplish clearer reporting lines and to facilitate better purchase tracking for user departments.

Another recommendation which has already been implemented is raising the limit for non-competitive purchases. The limit has been increased from \$500 to \$1000 for Buyers and \$2,500 for Senior Buyers. However, Charter and Administrative Code changes have just become effective which allow the Purchaser to delegate signature authority for up to \$50,000 to buyers. I understand that you are now developing a policy to implement this change. I applaud these efforts.

In the Buying Division, your staff can also be proud of the following accomplishments against MBO targets:

Operating costs were maintained at a level no greater than 0.5% of total dollar purchases. Total value of purchases processed was \$315 million with a total operating cost of \$1.57 million.

96% of direct payment vouchers were processed to the controller within 5 days, exceeding the target of 95%.

90% of payments to vendors on purchase orders were achieved within 5 days.

MBO performance was also very successful in the Storage and Warehousing division. The following objectives were achieved:

A mandatory audit of completed requisitions in various storerooms indicated that 96.5% of all requisitions for stocked inventories were filled within 2 working days, exceeding the target of 95%.

Although the target of generating \$500,000 from the sale of surplus property was surpassed, the \$533,000 collected represents a decrease from the \$625,000 collected in the previous year. The revenue collected resulted from 46 different sales, exceeding the target of 40 sales.

In the Minority Business Program, the department had estimated that it could achieve 95% of the contract objectives presented to the U. S. Department of Commerce in the funding grant. This targeted performance was surpassed as 100% of the contract objectives were accomplished. Also, 493 new minority vendors were added to the original list of 654 certified vendors. This increase of 75.4% exceeded the target of a 75% increase. Good work!

All MBO objectives were accomplished in the Central Shops program, as follows:

In the fleet of general purpose vehicles, an average of 4.58% of the fleet was out of service at any given time, bettering the target of 5%. Average out of service time was better than anticipated, 5.3 days compared to a target of 6 days.

Performance in the repair and servicing of emergency vehicles was just as successful. An average of 4.48% were out of service at any given time compared to the target of no more than 5%. Average out of service time was 3.2 days, improving upon the target of 4 days.

The stated objectives were also achieved in the Central Mail and Reproduction Bureaus.

More than 99.2% of City Hall interdepartmental mail was picked up, sorted, and distributed within one day, exceeding the target of 99%.

The target of completing 75% of departmental requests for reproduction services was surpassed as 77.2% of the requests were so processed.

These performance results do indicate progress in the department. However, The MBO review letters of the past several years have discussed the delays and inefficiencies in many of the processing systems in the department. Various consultant studies, review by the Mayor's Fiscal Advisory Committee, and the Controller's management audit have also addressed these problems. The overriding concern is to modernize the department to bring it into the twentieth century.

You have now had a chance to review the department and the management audit performed by the Controller's Office. I appreciate the fact that you have been working in full cooperation with the staffs of the Controller's Office and the Mayor's Office. I understand that there is general agreement that the focus of the modernization program should be shifted. The program as originally conceived consisted of two main components; a bulk purchasing program and a materials management (automated inventory) program. The number one priority in the department now is the automation of the purchasing and account payable systems. The computerized material management and inventory system will follow after this.

I understand that during the past fiscal year an information systems analyst joined the department and has been addressing the issue of automation. I look forward to the report to be prepared by the end of February which will identify a long term approach, include a cost benefit analysis, and the general requirements for a procurement system.

I am pleased that you are in the process of implementing interim solutions. One of these interim solutions is a system for tracking documents in the purchasing system. At this time, the department does not have either a manual or computerized system that records the point that a document has reached in the processing cycle. Considerable time is required to provide status information. Buyers estimate that 8 to 11 man-hours per day will be saved when the system is available. As soon as EISPC approval is received, implementation of this interim system can

begin. The relationship between Purchasing and user departments should be greatly improved. Various reports - turnover, outstanding orders, overdue orders - will advise staff and management of their performance. This information should result in improvements in efficiency and shortening of processing cycles.

I understand that implementation of several other proposals in the interim report has begun. The issues addressed by these proposals include:

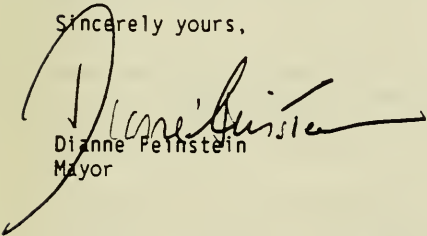
Purchase Order Invoice Processing: To decrease processing time and to create one procedure for receipt of invoices.

Encumbrance Processing: To minimize time required to record purchase order encumbrances; to send purchase orders to vendors within one day of encumbrance; and to provide daily information on the status of purchase orders.

Redistribution of Commodity Buyer and Clerical Duties: To provide cross training; to enable buyers to devote more time to developing commercial specifications; and to provide timely telephone and front counter service to departments and vendors.

The Purchasing Department is playing an increasingly important role in the conduct of the City's business. At the moment, many of the procedures and systems are not adequate for the department to discharge these responsibilities efficiently. However, it is gratifying to see the progress which is now being made. The organization structure is being revamped and new systems are being put into place. There is, however, a long way yet to go. I offer the full assistance of my office in the modernization efforts.

Sincerely yours,



Dianne Feinstein
Mayor

MBO PERFORMANCE ANALYSIS, 1985-86

During the 1985-86 Fiscal Year, and through the first half of the current year, the Purchaser and his department have taken on a number of major issues, some of which are very complex and time consuming. These include the Minority Business Program, the restrictions against companies doing business in South Africa, responsibilities within the Toxic Waste Program, and implementing the contracts for the towing of abandoned vehicles. He has also been working on the modernization of the department through increased automation.

These programs have taxed the resources of the department to the maximum. The recently appointed Purchaser has needed time to establish priorities and to fold the new obligations into his existing functions. One of his first objectives has been to reorganize the department to be more efficient and effective. This process is underway as an EDP programmer/systems analyst is now on board and the Purchaser is about to hire a Director of Finance.

For several years the emphasis in your annual MBO letter, and in studies performed by outside consultants, has been the need to modernize the department and to bring it into the 20th century. The modernization program as originally conceived consisted of two main components; a bulk purchasing program and a materials management (automated inventory) program.

Modernization is still the main thrust and need in this department. However, the focus has now been changed after the Purchaser has had a chance to really review the department and after the management audit performed by the Controller's Office. There is general agreement now that the number one priority in the department is the automation of the purchasing and account payable systems. The computerized material management and inventory system will follow after this.

During the past fiscal year an information systems analyst joined the department and has been addressing the issue of automation. A report is expected by the end of February which will identify a long term approach. It will include a cost benefit analysis, and the general requirements for a procurement system.

The department has also prepared a report describing interim solutions. One of the interim solutions is a tracking system for purchasing documents. The proposal for this system has been submitted to EISPC along with the department's three year plan. As soon as EISPC approval is received, implementation of this interim system can begin. At this time, the department does not have either a manual or computerized system that records the point that a document has reached in the processing cycle. Considerable time is required to provide status information. Buyers estimate that 8 to 11 man-hours per day will be saved when the system is available. The relationship between

Purchasing and user departments should be greatly improved. Various reports - turnover, outstanding orders, overdue orders - will advise staff and management of their performance. This information should result in improvements in efficiency and shortening of processing cycles.

Implementation of several of the other proposals in the interim report has begun. The issues addressed by these proposals include:

Purchase Order Invoice Processing: To decrease processing time and to create one procedure for receipt of invoices.

Encumbrance Processing: To minimize time required to record purchase order encumbrances; to send purchase orders to vendors within one day of encumbrance; and to provide daily information on the status of purchase orders.

Redistribution of Commodity Buyer and Clerical Duties: To provide cross training; to enable buyers to devote more time to developing commercial specifications; and to provide timely telephone and front counter service to departments and vendors.

As recommended by a Controller's audit and emphasized in last year's MBO letter, the Buying Division has been restructured to accomplish clearer reporting lines and to facilitate better purchase tracking for user departments. Another recommendation which has already been implemented is raising the limit for non-competitive purchases. The limit has been increased from \$500 to \$1000 for buyers and \$2,500 for senior buyers. However, Charter and Administrative Code changes have just become effective which allow the Purchaser to delegate signature authority for up to \$50,000 to buyers. The department is now developing a policy to implement this change.

Most of the MBO objectives which had been set in the department were achieved or exceeded. In the Buying Division, staff was also successful in accomplishing the following:

Operating costs were maintained at a level no greater than 0.5% of total dollar purchases. Total value of purchases processed was \$315 million with a total operating cost of \$1.57 million.

96% of direct payment vouchers were processed to the controller within 5 days, exceeding the target of 95%.

The objective of processing 90% of payments to vendors on purchase orders within 5 days was achieved.

MBO performance was also very successful in the Storage and Warehousing division. The following objectives were achieved:

A mandatory audit of completed requisitions in various storerooms indicated that 96.5% of all requisitions for stocked inventories were filled within 2 working days, exceeding the target of 95%.

Although the target of generating \$500,000 from the sale of surplus property was surpassed, the \$533,000 collected represents a decrease from the \$625,000 collected in the previous year. The revenue collected resulted from 46 different sales, exceeding the target of 40 sales.

In the Minority Business Program, the department had estimated that it could achieve 95% of the contract objectives presented to the U. S. Department of Commerce in the funding grant. This targeted performance was surpassed as 100% of the contract objectives were accomplished. Also, 493 new minority vendors were added to the original list of 654 certified vendors. This increase of 75.4% exceeded the target of a 75% increase.

All MBO objectives were accomplished in the Central Shops program, as follows:

In the fleet of general purpose vehicles, an average of 4.58% of the fleet was out of service at any given time, bettering the target of 5%. Average out of service time was better than anticipated, 5.3 days compared to a target of 6 days.

Performance in the repair and servicing of emergency vehicles was just as successful. An average of 4.48% were out of service at any given time compared to the target of no more than 5%. Average out of service time was 3.2 days, whereas the target had been 4 days.

The stated objectives were also achieved in the Central Mail and Reproduction Bureaus.

More than 99.2% of City Hall interdepartmental mail was picked up, sorted, and distributed within one day, exceeding the target of 99%.

The target of completing 75% of departmental requests for reproduction services was surpassed as 77.2% of the requests were so processed.

The Purchasing Department is playing an increasingly important role in the conduct of the City's business. At the moment, many of the procedures and systems are not adequate for the department to discharge these responsibilities efficiently. However progress is being made under the new Purchaser, Mr. Geistlinger. The organization structure is being revamped and new systems are being put into place. There is, however, a long way yet to go.



December 15, 1986

Through Roger Boas, Chief Administrative Officer

Mr. Tony DeLucchi
Acting Director of Property
Department of Real Estate
25 Van Ness Avenue
San Francisco, CA 94102

Dear Mr. DeLucchi:

I have completed my review of your department's FY 1985-86 MBO performance. As requested in last year's annual review, your department adopted a revised MBO program designed to measure actual performance, rather than to simply track statistics. It appears that your department did well in implementing the new program:

- o You responded to 85% of inquiries within 3 working days. For experimental purposes, the target had been set at 100%. It appears that the target should be reduced to 90% to reflect solid, yet achievable performance.
- o 81% of assignments were completed within plus or minus 10% of the time allocated for completion. This meets the 80% target. I note that the measure was put into effect during the second half of the fiscal year.
- o Your department met its target for preparing legislation for the Board of Supervisors within 5 working days from the time you received all pertinent data.
- o The City's monthly delinquency rate on its rental collections was only 2.5%, well below the target of 5%. This shows that your department is effectively monitoring our leases. Keep up the good work!
- o Billing rate increases to other City departments was held to 4%, 1% below the rate of salary standardization. Your efforts to keep costs down are greatly appreciated.
- o For FY 1985-86, there were zero formal complaints filed against your department. You met your goal once again. Good work.

Mr. Tony DeLucchi
December 10, 1986
Page 2

Again, the implementation of your new MBO goals is greatly appreciated, since you have made a positive step in creating an effective performance monitoring system for your department.

Major program highlights for FY 1985-86 included the sale of \$2.6 million in Water Department property in Pleasanton, as well as the conceptual development of a lease monitoring system. The departments efforts to find suitable space to dismantle abandoned automobiles, to seek out new office space for City departments and to work on the Civic Center project are most appreciated.

As you know, the retirement of Wally Wortman signaled the loss of a great public servant. Mr. Wortman enjoyed a truly distinguished career, and all City departments benefited from his commitment to San Francisco. I am confident that the Department of Real Estate will carry on in the tradition of Wally Wortman, and will continue to play a helpful and major role in solving many of the City's most difficult problems.

Sincerely yours,

Dianne Feinstein
Mayor

DF/JW



December 15, 1986

Mr. Eugene Friend, President
and Members
Recreation and Park Commission
McLaren Lodge, Golden Gate Park
San Francisco, California 94117

Dear Commissioners:

I have reviewed the Department's annual Management-by-Objectives (MBO) report for the 1985-86 fiscal year. Once again, you can take pride in the performance of the department. In most programs, MBO objectives were achieved and performance targets were met or surpassed.

I am pleased that there has been some progress in what has been, for several years now, the main area of concern with the department. That has been the effectiveness of the Recreation Program and its impact on the community which it serves. There has not been questions as to the quality of the programs and services you provide. However, I have asked you to assess the relevance and appropriateness of the recreation services provided. This review takes on added importance as the demographics of the City change and as resources become increasingly scarce.

I understand that, at long last, surveys were distributed to the public in May and June of 1986. User surveys were distributed at the department's various facilities and 3800, or 82%, were completed and returned. That is a very high percentage and indicates that the public is very interested in your programs. In addition, a random mailing by zip-code was made to the general public.

Although the returned surveys are presently being reviewed and analyzed by your consultant, first perusal of the returns indicates that the three major areas of concern of the public are overall cleanliness of facilities, restrooms, and publicity. Those areas with high marks were helpfulness and attitude of personnel, convenience to the home, safety conditions, hours of operation, and amount of supervision.

I anticipate that the staff of the department and your Commission will thoroughly analyze and evaluate the results of this survey in the next few months. This evaluation should result in a set of specific recommendations by which to guide the department in the next several years. My staff stands ready to assist in any way you may wish.

While discussing the relevance of the Recreation Program, it is appropriate to discuss the major new program begun by the division in September. The After School Supervised Playground Program was implemented, beginning at 8 schoolyards and 5 gyms. The program is provided at those 13 sites five nights a week, Monday through Friday. It is also provided at the gyms on Saturday. Congratulations on getting this program underway.

I would now like to share with you my comments about the 1985-86 MBO performance in each of your divisions.

RECREATION PROGRAM

Virtually all objectives were achieved and performance targets met in this division. Participation and attendance in most activities remained at approximately the same levels as the prior year. All MBO targets relating to levels of participation were achieved.

The number of city-wide games provided decreased slightly from 8,226 to 7,596. However, the number of participant therein increased 11%, from 219,000 to 244,000.

Athletic field usage was maintained at the same level as 169,828 reservations and permits were issued, approximately the same amount as in the prior year. The number of participants did increase from 984,000 to 992,000.

The number of patrons at the rifle range dropped slightly from 26,859 to 26,187. This exceeded the target of 23,500.

Attendance at structured classes in the Cultural Activities program increased from 214,000 to 228,000.

In the Community Services Program attendance at structured activities increased 17% from 1.2 million to over 1.4 million. Reasons include the opening of the Treat side of the Mission Recreation Center, increased playground activities for youths and seniors, and an increase in the basketball and soccer leagues.

As part of its public information efforts, the department endeavored to increase awareness of aquatic programs by assigning 300 staff hours to direct community contact. This goal was met and increased awareness was evidenced by the need to extend hours and increased daytime usage. The number of participants increased from 624,000 to 642,000.

Attendance at Silver Tree and Pine Lake day camps was maximized as targeted. For the past three years, more and more children have been turned away due to lack of space. An additional suitable day camp is now needed.

PARK MAINTENANCE DIVISION

Once again, the MBO performance of the Park Division was outstanding. Golden Gate Park continues to be a source of pride for the City. I understand that several awards were received by staff in this program. For example, your department received the 1985 Beautification Award from Bedding Plants, Inc. for the excellent use of annuals and exemplary plantings in Golden Gate Park. The staff of Section II of the Park was awarded the 1985 Professional Grounds Maintenance Society's Grand Award. And the Superintendent of Parks, Barney Barron, won a managerial excellence award from the Mayor's Fiscal Advisory Committee. Congratulations to all!

The cost of claims against the City, both liability and Workers Comp, has been increasing rapidly. Therefore, I am pleased that in the Park Division, employee training and education was emphasized during the past year. For example, approximately 90% of the received preliminary training in the use, storage, and handling of toxic materials. The Park Division was the lead agency in providing this type of training which is now a requirement for most city employees.

The division has also offered seminars relating to substance abuse, the avoidance of back injuries, and stress reduction. As a result of these steps, the Division is well on its way to meeting the 86-87 MBO requirement to reduce the number of disability claims by 10%.

The division has also sponsored in-service training regarding baseball diamond maintenance and a seminar regarding the use of hazardous chemicals. In-service training for employees is provided in cooperation with the U.C. Extension Program, and approximately 85% of the Gardeners have received such training.

The department was one of the first to join the Work Improvement Project undertaken by the City and the labor unions. It is gratifying that this program is working well in the Recreation and Park Department where joint labor/management teams address the problems which have been raised by the workers and the program has been expanded so that there are now two worksite committees for Neighborhood Parks and Squares.

I would now like to address specific MBO performance in this division. Your staff can be proud of the following accomplishments.

In Golden Gate Park, the staff was able to achieve its objective of renovating 25 selected sites. More than 87,000 square feet were included in this renovation.

Almost 9,800 perennials, annuals, and trees were planted, far surpassing the target of 6,500. Emphasis was changed from annuals to perennial shrubs which have longer blooming periods and decreased maintenance requirements.

The percentage of Neighborhood Parks and Squares maintained at a high level continued at 85%, up from the 66% so maintained in 1982-83. However, this performance target has been increased to 90% for 1986-87 and that level of performance is currently being provided.

As planned, two neighborhood units were relandscaped and upgraded. They are the Chestnut Street Mini Park and the Sunset Recreation Center.

Neighborhood planting targets were all surpassed and in most cases the targets have been increased for 1986-87. Examples include:

Item	Target	Achieved	New target
Shrubs and trees	3,000	3,452	3,000
Flats	1,000	2,653	2,000
Bulbs	40,000	47,000	80,000

The department has shown its responsiveness to neighborhood concerns by establishing an additional objective in this program. That is to perform 1200 hours of shrubbery pruning at Buena Vista Park.

Progress continues to be made in the area of Urban Forestry and Athletic Field Renovation.

Another 13 acres of Golden Gate Park were brought under forest regulation (part of the reforestation plan). This surpassed the target of 12 acres.

Sixteen major baseball/softball diamond renovations were completed, again exceeding the target by one.

Ornamental prunings were completed at 18 sites, whereas only 15 had been targeted.

Tree assessment was completed at 20 sites, as targeted.

The City recieved the Tree City USA award for the fifth consecutive year.

In the Structural Maintenance Program, all emergencies were addressed within 24 hours of occurrence and all facilities were kept open and maintained in a safe, usable, and attractive condition as scheduled.

However, there were two areas of concern in this program. Although the staff was able to increase the number of hours spent in preventive maintenance from 17,500 to 21,750, this performance still fell short of the target of 25,000 hours. Effective preventive maintenance programs can successfully reduce the time and cost of later repairs, thus freeing up resources for other purposes. I ask that the department commit to achieving this critical objective.

The objectives relating to the Minority Business Program were not achieved. Only 16.8 of all dollars were contracted with minority businesses and 5.7% with women owned businesses, whereas the targets were 30% and 10% respectively. This was partially due to a lack of bids from minority contractors in many areas. Since cash flow is often an issue with small businesses, better cooperation must be established with DPW in processing final invoices to allow for more speedy payments to minority and women owned enterprises. Current processing time may discourage existing contractors from continuing to do business with the department. Please do what you can to facilitate this process.

CAMP MATHER

I am most pleased that for the first time, Camp Mather became fully self-supporting. Congratulations!

Usage of the camp exceeded all projections as follows:

83% of camper days were used, exceeding the target of 80%.

93% of cabins were used compared to a target of 80%.

Revenue of \$604,000 exceeded the target of \$547,000 and 124% of the budget was recovered by revenues.

The capital improvement program continued. Four cabins were completely renovated, a new water tank was installed, and improvements to the kitchen were accomplished.

GOLF DIVISION

The Golf Program continues to be one of the most successful offered by the department. Revenue increased to \$2,000,108 from the \$1,931,851 of the previous year. The number of rounds played exceeded 350,000, an increase of 1,600 rounds. 96% of all holes were rated good or better, exceeding the target of 90%. Good work!

MARINA YACHT HARBOR

It is gratifying that The Marina Yacht Harbor had another fine year. Many major maintenance jobs and capital improvements were accomplished and the capital program is on target. Dredging work was completed at Gashouse Cove which cleared the City's barge and fuel dock from the mud at low tide and also opened up boat berths which were previously unusable due to underwater obstructions. Breakwater repairs were completed in time to prevent undermining of the seawall in several locations. Much maintenance was performed to enhance safety as gangways were painted with non-skid paint, deck planking was replaced, old piling collars were replaced, etc.

I am concerned with one problem, however. Even though night security hours were doubled, the number of break-ins increased significantly from 8 in FY 84/85 to 68 in FY 85/86. I ask that you develop a night security plan and submit a report to my office.

CANDLESTICK PARK

All performance objectives were once again achieved except for one instance of an interrupted event when the field lights failed temporarily due to a computer error. This error has since been corrected. The field continues to receive nothing but praise from the 49ers, the Giants, and the local press.

A major milestone has been achieved in the history of Candlestick Park as the first 55 sky boxes were installed and have received much favorable reaction. A number of restrooms and concession areas have also been renovated. I am pleased that the remainder of the Candlestick renovation plan is well underway and is on schedule.

ZOO DIVISION

The zoo remains on course to become a world-class facility. Media attention has been focused on the zoo for more than a year and it has been overwhelmingly positive. Correspondence received has also been positive. I understand that the animal collection continues to breed well, especially the penguin colony, black rhinos, patis monkeys, and South American tapirs.

However, while all attendance and revenue objectives were met, total attendance did not meet that of the "panda year", when there was a surge due to this very unusual and popular exhibit. Nevertheless, attendance was well ahead of the figures for two years ago. Attendance revenue for the past three years is summarized below:

1983-84	\$1,180,000
1984-85 (panda year)	1,730,000
1985-86	1,602,000

My congratulations to Saul Kitchener and staff for a job well done.

FINANCE OFFICE

During Fiscal Year 1985-86, the Finance Office made substantial progress towards most of its objectives although not all were met. The procedures on which the department concentrated included lease monitoring systems, revenue and expenditure tracking, preparation of a claims manual, and preparation of a budget manual.

Significant progress was made in starting a systematic lease monitoring and development system. During the year, leases were developed and implemented for Union Square Garage, Camp Mather, and Golden Gate golf courses. A cost recovery program was also instituted to provide a systematic approach as to how the department prices its services. The program will also look at ways to direct revenues back to the activity that generated them.

ADMINISTRATION AND CAPITAL PLANNING

I am pleased that the department was able to successfully execute the following major capital improvement projects during the year:

- Athletic field floodlighting at Kimball and Moscone playgrounds.
- Major renovation at McLaren, Larsen, and Crocker Amazon parks.
- Major renovation at Miraloma and Portola playgrounds.
- Development of a new Park at Noe and Beaver streets.

Equally exciting are the improvements scheduled for FY 1986-87

- Development of master plans for
 - Junior museum
 - Conservatory of Flowers
 - Portsmouth Square
 - Buena Vista Park
- Construction of the Boeddeker Recreation Center
- Building of a new swimming pool at Camp Mather

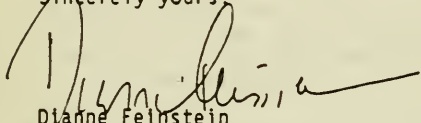
For the past several years, a major concern has been lack of public information and publicity concerning the department's activities. There were major improvements in this area in 1985-86. The goal of publishing and disseminating three Public Information Guides was met. A number of these were available in the Mayor's Reception Office and Citizens' Assistant Center. They were favorably and eagerly received by the public. In 1986-87, these three guides will again be available and two additional informational brochures will be developed and distributed. They are a city-wide sports brochure and a Camp Mather brochure.

Although the quality of the guides which were produced was extremely high, there still seems to be a problem of distribution, or getting these guides into the hands of the public. Half of the responders to the mail survey indicated a lack of awareness of most of the department's programs. One-third indicated that they had no source of information regarding park and recreation activities. Obviously, the dissemination of this information must be a high priority for the department this year.

In summary, the department has been doing a good job of providing quality recreational programs and well-maintained parks and green spaces, both for those citizens who desire to be active and those who wish to quietly enjoy passive parks. Golden Gate Park and many of our neighborhood parks continue to be a source of pride. The department has been moving forward with new programs and with assuming jurisdiction for additional facilities. My congratulations to Mary Burns and her staff.

* The current year will provide even additional challenges. The After School Supervised Playground program must be expanded per the wishes of voters. The evaluation of the surveys should provide much food for thought as to the directions the Recreation Program should take. I offer the full assistance of my office in making 1986-87 an even better year.

Sincerely yours


Dianne Feinstein
Mayor

DF:DR

cc Mary Burns, General Manager
Recreation and Park Department
McLaren Lodge, Fell and Stanyan Streets
San Francisco, California 94117

* *Hyattsville* *There* *make*
in priority



September 25, 1986

Jay Patterson
Registrar of Voters
City Hall, Room 155

THROUGH: Mr. Roger Boas, Chief Administrative Officer

Dear Jay:

I have reviewed your department's MBO report for 1985-86. It is gratifying to see that performance in the Registrar's Office remains at a very high level. In several cases, your performance targets were exceeded by a significant margin.

You far exceeded your goal of responding to requests for absentee ballots within 3 days. Average turnaround time was 1.7 days. However, most requests were responded to within the same day, thus providing 1/2 day turnaround. This MBO target will be reduced to 2 days to reflect the current level of performance. Good work!

The department was successful in announcing election results within 4 hours after the close of the polls. In fact, in the November election, this information was provided within 3 hours. Although the full four hours were required after the June election, San Francisco nevertheless was second among the major counties of the state, according to official Secretary of State records. Again, good work!

Although the number of names purged from the voting rolls during the year dropped to 64,000 from the 84,000 of the previous year, you nevertheless exceeded your annual goal of purging 60,000 names from the rolls. I am told that you are able to achieve the objective by means of closer cooperation with the post office, other County Registrars, and Public Health's Bureau of Births and Deaths. Also, new computer programs now in use automatically cancel old registrations when a voter re-registers. This remains an important MBO goal since there remains a lot of "deadwood" on the rolls. I urge you to continue your efforts in this endeavor.

You had mixed success in meeting your performance target in the provision of voter pamphlets to the electorate. For the November election, these pamphlets were provided 19 days before the election, thus surpassing the target of 16 days. However, for the June election, the materials were delivered with only 13 days remaining to the election.

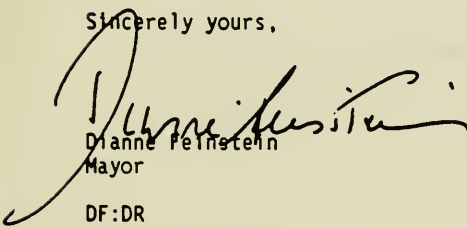
I understand that the June Primary mailing takes longer because the mailing list is split 6 ways, by party. However, I am pleased that you are addressing this problem by acquiring 2 more card reading machines. Nevertheless, for the November, 1987 election you will be challenged to achieve the 16 day objective due to the number of ballot arguments which have been submitted. I am told that approximately 190 arguments were submitted. This is a new record, surpassing the old record of 130. It is important that the voters receive the information in a timely fashion, therefore, I urge you to take appropriate action to meet this objective.

You targeted full staffing for 90% of all polling places, only 83% were so staffed in November. Yet, this figure rose to 92% for the June election. However, 100% of those precincts selected as needing bi-lingual workers were so staffed.

Once again, you have been innovative and have instituted a new procedure, the Zero Defects Incentive Bonus Plan (ZDIP), paying a bonus to the staff of those precincts which had zero defects. It is heartening to note that ZDIP was successful since 95% of the polling places did have zero defects. Error-free performance at the polling places is a true measure of your effectiveness at election times and is more meaningful than the actual staffing level. If you can achieve error-free performance with fewer people, so much the better. Thus, I am pleased that you will add an MBO objective for the ZDIP program to obtain zero defects at 95% or more of the polling places. Again, keep up the good work.

In summary, the performance of your office in 1985-86 adhered to the same high standards which you have set. Thank you for your cooperation and please accept the assistance of my office in making 1986-87 an even better year.

Sincerely yours,



Dianne Feinstein
Mayor

DF:DR



October 28, 1986

Michelle Corwin
City Recorder
City Hall, Room 167
San Francisco, CA 94102

THROUGH: Mr. Roger Boas, Chief Administrative Officer

Dear Michelle:

I have reviewed your department's MBO report for 1985-86. It is gratifying to see that performance in the Recorder's Office remains at the high level you established last year when significant processing improvements were made. All of the MBO performance targets in areas under the control of the department staff were met or exceeded. Good work!

Those areas in which performance objectives were met or exceeded include the following:

It is very important that you process and record documents efficiently and in a timely manner. To this end, you were able to complete all aspects of the recording process on the day the instrument was presented for recording and to return most instruments within 24 hours of recording. The progress in this area has been amazing as shown by the following table:

FY 83-84	Average turnaround time = 15 days
FY 84-85	Average turnaround time = 5 days
FY 85-86	Average turnaround time = 2 days

I understand that this greatly improved performance has been facilitated by the automation and computerization that has taken place in the office. Balancing, which used to be a matter of days, can now be accomplished in 15 minutes.

When involuntary liens are placed against a person or business, that person or business must be notified in a timely fashion. Although you had anticipated that this would require two days, for the second year in a row all such notifications were made on the same day that the lien was placed. I am pleased that your MBO target will be changed to reflect this performance.

You were also able to audit 100% of all transfer tax transactions, although the ordinance requires only that 5% be audited. This Transfer Tax audit program, and the ability to audit all transactions, resulted in collection of over \$500,000 in additional taxes during the fiscal year with liens for an additional \$400,000 pending. This is far more than would have been collected if only 5% of the transactions were audited. Excellent work!

It is noteworthy that both transfer tax and fee revenues exceeded estimates. This is not only an indication of increased real estate activity, but also an indication that the department is operating very efficiently and can handle that workload. The transfer tax collections were just under \$18 million, exceeding estimates by 12%. Fee revenues brought in \$1.3 million, 25% over estimate.

The one program in which performance fell short of objectives was in an area not now directly under your control. Little progress has been made in reconstructing the records destroyed in the 1906 earthquake even though the necessary computer software was installed in December, 1985. I understand that there have been problems with the volunteer project director and a lack of clear reporting relationships. This is an inter-departmental project and it is gratifying that the departments involved recently met and established new procedures and guidelines to resolve the problems. I will be looking forward to seeing significant progress in this area.

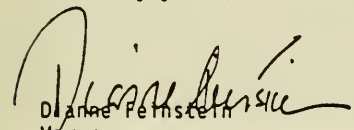
I would now like to turn my attention to the Records Center. Unfortunately, this program has been the cause of concern for well over a year. At the present time the City's records are divided among the facilities of three different vendors in San Francisco, Benicia, and Hayward. Moreover, we do not have a valid contract for the storage of all city records with any vendor. This situation causes problems of retrieval and increased costs.

Moreover, the situation is exacerbated as the city is storing more records, and thus incurring more storage costs than should really be necessary. Many of the records we are currently storing could be destroyed. For example, it has been brought to my attention that the courts have 15,000 records that could be microfilmed and the hard copies then destroyed. I will send a letter to all department heads explaining our policies concerning records retention and ask for cooperation in reducing the problem.

I am pleased that you have been focusing your attention on this problem and have proposed a solution based on modern technology. Your idea to use an Optical Disk Imaging Process, whereby written records would be quickly scanned and automatically indexed on laser disc, is a very interesting concept. Although there would be costs in establishing such a system, I understand that the costs for storage and retrieval of our records would be greatly reduced. I encourage you to continue with the development of this Optical Scanning idea and I look forward to seeing the cost/benefit analysis for this program. Your department is one where there is an enormous amount of paperwork and thus is most amenable to the benefits of automation.

In summary, the performance of your office in 1985-86 adhered to the same high standards which you had previously set. Thank you for your cooperation and please accept the assistance of my office in making 1986-87 an even better year.

Sincerely yours,



Dianne Feinstein
Mayor

DF:DR



December 8, 1986

The Honorable Ralph Payne, President
and Members
San Francisco Residential Rent
Stabilization and Arbitration Board
170 Fell Street, Room 16
San Francisco, CA 94102

Dear President and Members of the Board:

I have just reviewed the 1985-86 Management by Objectives performance reports for the Residential Rent Stabilization and Arbitration Board. Your overall performance was excellent, and you were able to meet or exceed every target set for the year. In view of the increased number of cases filed with your office, I commend you and your staff for achieving all your objectives.

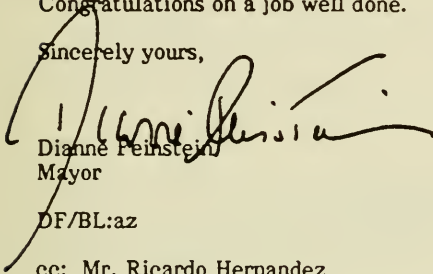
Following are some of the highlights from the annual MBO report:

- o 95% of all rent petitions were acted on and heard within 45 days. The year-end achievement was the result of hiring more hearing officers to correct the mid-year deficient performance of 80%. This effort was successful and the 95% target was met.
- o Almost all summary petitions were processed and disposed of within 30 days. With 99% of the petitions settled within the 30 day limit, you far exceeded the target of 95%.
- o 83% of all eviction reports were prepared and acted on within 30 days. Again, this was above the 80% projected. I am pleased to note that the number of eviction reports filed decreased for the first time since Fiscal Year 1982-83. If this trend continues, you should set your target higher.
- o You planned to provide 3,000 in depth counseling sessions for 1985-86, and you were right on target with the actual figure of 3,019.

This year you have added three objectives: to hear 80% of capital improvement petitions within 45 days, to reduce the number of appeals caused by lack of notice and to provide 36 public workshops. I very much appreciate the fact that you are always looking for work performance measures. This is certainly an indication of your desire to provide quality services in a timely fashion. Given the nature of your work and the high volume of public contact, your Board and staff served our City well.

Congratulations on a job well done.

Sincerely yours,



Dianne Feinstein
Mayor

DF/BL:az

cc: Mr. Ricardo Hernandez

January 9, 1987

Mr. Peter Ashe, President
and Members
Retirement System Board
1155 Market Street
San Francisco, CA 94103

Dear Board Members:

I have reviewed the annual Management-by-Objectives (MBO) performance report for the Retirement System for Fiscal Year 1985-86. This has been another significant year for your department and once again the department received high marks in many areas, although some problems remain in the Worker's Comp Division.

Before discussing specific MBO performance in detail, I would first like to congratulate you for your effectiveness in dealing with divestiture of holdings of companies doing business in South Africa. I understand that the Retirement Fund is now 98% divested and that this remains the most significant and complete divestiture of any public fund. Furthermore, this action has not significantly affected the return to the department. By investing in the South Africa Free Index, the fund gained \$8 million more than it would have by investing in the Standard and Poors 500.

The conversion of a number of City departments to the new payroll system did have an adverse effect on MBO performance in the Retirement Division, particularly in the first six months of the fiscal year. For the most part, the department has recovered and performance is on course. A summary of performance in this division follows.

The division was able to initiate and pay retirement benefits within two months in 95% of all cases. This continued performance level is a significant improvement from two years ago when three months were required for this effort. Nevertheless, expectations were high and the target had been increased to 98%, where it will remain for the current year.

Employees were provided with annual statements within 5 months, achieving the objective. However, in the prior year this task had been accomplished within 4 months. Some delay was directly attributable to the payroll conversion.

During the year, an average of 93% of all requests for refunds were processed within 6 weeks, a reduction from last years accomplishment of 98%. In the first quarter only 90% were so processed, but this figure rose to 98% for the third quarter. However, performance fell off again in the fourth quarter.

In most areas of the Workers Compensation Division, MBO performance continued at the same levels of the prior year. Although new claims adjustor positions had been authorized, most had not been filled by the end of the fiscal year. Now that these new positions have been filled, I ask you to review the MBO objectives and targets in this program with a view toward increasing them to match increased staffing and prior performance. Specific observations were as follow:

Advance temporary disability benefits were paid within 14 days in 92% of all cases, a drop from the 95% of the prior year. Nevertheless, this performance exceeded the target of 85%.

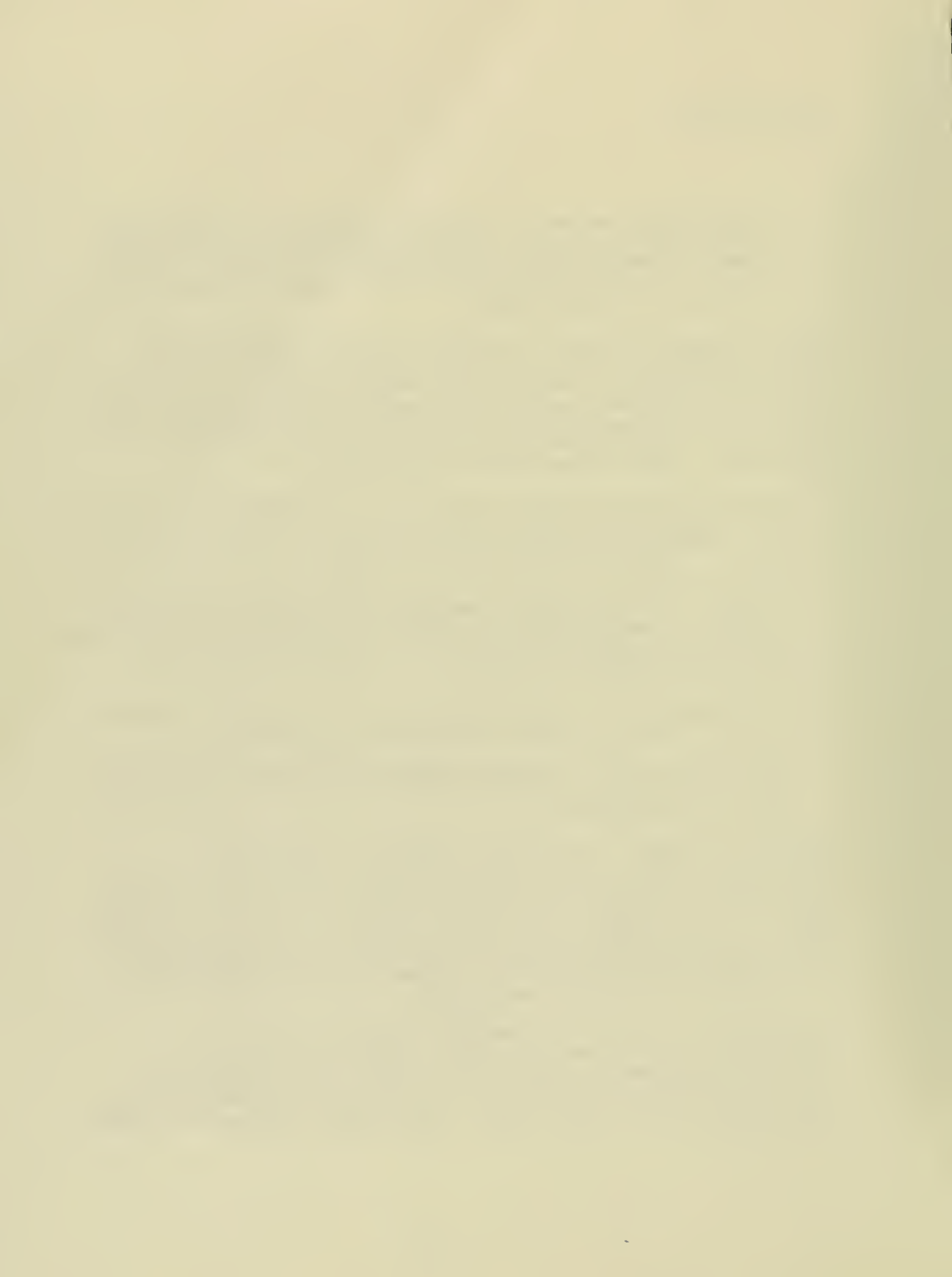
Personal contact was made with injured workers within 2 days 96% of the time. This continued the performance of the previous year and exceeded the target of 90%. This contact is important as it imparts a feeling of "someone cares" to the injured employee and keeps many claims from becoming litigated.

Monthly supervisory review of all cases in which temporary disability exceeds 12 weeks was accomplished in 100% of such cases.

The division also met its goal of auditing 20 claims per adjuster per quarter to ensure an acceptable level of compliance with departmental standards and procedures.

However, achievement in the payment of medical invoices was disappointing. There was practically no change from the performance of the previous year as only 87.5% of the invoices were processed within 45 days. Yet, your outside consultant had indicated last year that the staff should be able to process these invoices in 30 days. This is a critical area. If doctors and hospitals are not paid in a timely fashion, they will refuse to deal with the City. They can also pursue legal action to collect interest on the uncollected amounts.

My staff indicates, that in reviewing this performance with the department, it became clear that probably 75% of the claims are paid within 30 days. There are other cases where the necessary paperwork - receipts, affidavits, etc. - has not been submitted in a timely fashion and the medical bills cannot be paid. Others seem to somehow fall between the cracks.



I ask that your commission take a multi-prong approach to this problem. Firstly, the processing systems, both the system internal to Workers Comp and the joint payment system with the Controller's Office, need to be reviewed, analyzed, and changed where appropriate. Secondly, the MBO objectives should be revised as follows:

Target: 75% to be processed within 30 days
Target: 90% to be processed within 45 days

Thirdly, all medical bills not processed within 45 days should be examined in order to ascertain the problem. Recommendations for changes in the system should emanate from this review.

Workers' Compensation benefit payouts continue to be a major concern. Thus far this year, these payouts are running 39% above the rate of the last year. This will result in an additional cost of \$4 million during the current year. I realize that the retirement system has recently upgraded its staff by replacing a number of claims adjustors and has hired additional adjustors. We had hoped that this increased number of adjustors would work to reduce benefit costs.

However, there seem to be a number of other factors at work to fuel this increase. Although there is only a 16% increase in the number of cases, there is a 46% increase in medical payments and a 30% increase in temporary disability benefits. Reasons are:

Employees are off of the job for a longer period of time. Recent legislation has added to the number of employees with less incentive to come back to work. That is, a number of additional classifications have been transferred to the state PERS system and receive 100% of their salary, tax free, while off of work. These classifications include institutional police, airport police, and district attorneys. There is now a concerted effort to add meter maids to this category.

A greater incident of assault pay, which is also 100% of salary and tax free, and thus a disincentive to return to work.

More complex medical cases that require more sophisticated treatment. There are more cases of "industrial heart" and an increasing number of by-pass and other surgeries are being performed. If a policeman or fireman was given a disability retirement for any type of heart trouble many years ago and now needs surgery, the City is obligated to pay.

More stress cases, which require expensive psychiatric treatment. Furthermore, stress cannot be disproved.

More and more cases are also being litigated. There is projected a 123% increase in payments to applicants for their legal costs in which cases have been litigated. There are no apparent reasons for this state-wide phenomenon. Another such wide spread phenomenon is the very large increase in rehabilitation costs for disabled workers. Federal law

mandates unlimited training and a number of workers have been retrained several times. Most of this training results in upward mobility and is a mechanism for employees to train for better positions, either in the City or elsewhere, at the City's expense.

The number of cases of permanent disability is also increasing. Although permanent disability grants are recovered when the employee finally retires, more and more employees are opting for this immediate payment rather than worry about their future. This should, however, reduce some of the Retirement System's future liability. Similarly, there has been a 68% increase in C & R's (Compromise and Releases). These represent cash payments for release of all future liabilities. Again, these should save the City money in the future.

This rapid escalation in worker compensation costs is one of the major issues facing the City and needs to be the focus of major attention. Among other things, more rationality needs to be brought to the legislative parameters; loss reduction programs should be undertaken; and lobbying efforts should be increased. This is a City-wide issue and will require a centralized approach.

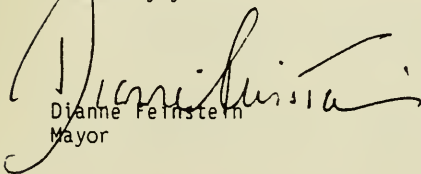
Although all of these factors are at work, effective case management can mitigate the problem somewhat. As of now, we really have no way to measure the effectiveness of our system and the claims adjustors.

I ask that the department address this problem and endeavor to provide criteria which can be used to measure the effective of this operation. Perhaps this effort can include comparisons to other systems and to our own operation over time.

I request also that the Workers Compensation Program remain under continuous review by the Retirement Board and that your staff work closely with the risk management office, my staff, and other departments on this issue.

Once again, congratulations on the manner in which you have handled the divestiture of holdings in South Africa as well as many of the more routine functions of the department. Please be assured that I will work with you, and offer the assistance of my office, to make the current fiscal year an even better year for the Retirement System.

Sincerely yours



Dianne Feinstein
Mayor

DF/DR

cc: Clare Murphy, General Manager
Employees Retirement System
1155 Market Street
San Francisco, CA 94103

MBO PERFORMANCE ANALYSIS, 1986-87

The Retirement Board and its staff has been extremely successful in dealing with divestiture of holdings in companies doing business in South Africa. The Retirement Fund is now more than 98% divested. It remains the most significant and complete divestiture of public funds. This action has not significantly affected the return to the fund. By investing in the South Africa free index, the fund gained \$8 million more than it would have by investing in the Standard and Poor 500.

The conversion of a number of City departments to the new payroll system did have an adverse effect on MBO performance in the Retirement Division, particularly in the first six months of the fiscal year. For the most part, the department has recovered and performance is on course. A summary of performance in this division follows.

The division was able to initiate and pay retirement benefits within two months in 95% of all cases. This continued the performance level of the previous year and is a significant improvement from two years ago when three months were required for this effort. Nevertheless, expectations were high and the target had been increased to 98%, where it will remain for the current year.

Employees were provided with their annual statements within 5 months, achieving the objective. However, in the prior year this task had been accomplished within 4 months. Some of this delay was directly attributable to the payroll conversion.

During the year, an average of 93% of all requests for refunds were processed within 6 weeks, a reduction from last years accomplishment of 98%. In the first quarter only 90% were so processed, but this figure rose to 98% for the third quarter. However, performance fell off again in the fourth quarter.

In most areas of the Workers Compensation Division, MBO performance continued at the same levels of the prior year. Although new claims adjustor positions had been authorized, most had not been filled by the end of the fiscal year. These new positions are now filled and it appears that the performance targets should be increased.

Advance temporary disability benefits were paid within 14 days in 92% of all cases, a drop from the 95% of the prior year. Nevertheless, this performance exceeded the target of 85%.

Personal contact was made with injured workers within 2 days 96% of the time. This continued the performance of the previous year and exceeded the target of 90%.

Monthly supervisory review of all cases in which temporary disability exceeds 12 weeks was accomplished in 100% of such cases.

The division also met its goal of auditing 20 claims per adjuster per quarter to ensure an acceptable level of compliance with departmental standards and procedures.

However, achievement in the payment of medical invoices was disappointing. There was practically no change from the performance of the previous year as only 87.5% of the invoices were processed within 45 days. The department's outside consultant had indicated last year that the staff should be able to process these invoices in 30 days. In reviewing this performance with the department, it became clear that at least 75% of the claims are paid within 30 days. There are other cases where the necessary paperwork - receipts, affidavits, etc. - has not been submitted in a timely fashion and the medical bills cannot yet be paid. Others seem to somehow fall between the cracks.

I recommend that a multi-prong approach be taken to this problem. First, the processing systems, both the system internal to Workers Comp and the joint payment system with the Controller's Office. Second the MBO objectives should be revised as follows:

Target: 75% to be processed within 30 days

Target: 90% to be processed within 45 days

Third, all medical bills not processed within 45 days should be examined in order to ascertain the problem. Recommendations for changes in the system should emanate from this review.

Workers' Compensation benefit payouts continue to be a major concern. Thus far this year, these payouts are running 39% above the rate of the last year. This will result in an additional cost of \$4 million during the current year. The retirement system has recently upgraded its staff by replacing a number of claims adjustors and has hired additional adjustors. It appears that many of these factors are beyond the control of the claim adjustors. However, at this time we do not have any effective way to measure the efficiency of our system and the adjustors. The department should be asked to address this matter.

There are a number of factors at work. Although there is only a 6% increase in the number of cases, there is a 46% increase in medical payments and a 30% increase in temporary disability benefits. One reason is that employees are off of the job longer. Recent legislation has added to the number of employees with less incentive to come back to work. That is, a number of new classes have been transferred to the state PERS system and receive 100% of their salary, tax free, while off of work. These classes include institutional police, airport police, and district attorneys. There is also now a concerted effort to add meter maids to this category. Also, there is a greater incident of assault pay, which is also 100% of salary and tax free, and thus a disincentive to return to work. Also, there are more cases of "industrial heart" and an increasing number of by-pass and other surgeries are being performed.

More and more cases are also being litigated. There is projected a 123% increase in payments to applicants for their legal costs in which cases have been litigated. There are no apparent reasons for this state-wide phenomenon. Another such wide spread phenomenon is the very large increase in rehabilitation costs for disabled workers. Federal law mandates unlimited training and a number of workers have been retrained several times. Most of this training results in upward mobility and is a mechanism for employees to train for better positions, either in the City or elsewhere, at the City's expense.

The number of cases of permanent disability are also increasing. Although permanent disability grants are recovered when the employee finally retires, more and more employees are opting for this immediate payment rather than worry about their future. This should, however, reduce some of the Retirement System's future liability. Similarly, there has been a 68% increase in C & R's (Compromise and Releases). These represent cash payments for release of all future liabilities. Again, these should save the City money in the future.

In my opinion, the rapid escalation in worker compensation costs is one of the major issues facing the City. I believe it should be the focus of major attention. Among other things, more rationality needs to be brought to the legislative parameters; loss reduction programs should be undertaken; and lobbying efforts should be increased.



December 2, 1986

Honorable Michael Hennessey
Sheriff
City Hall, Room 333
San Francisco, California 94102

Dear Sheriff Hennessey:

Having completed my review of the Sheriff's Department Management-By-Objectives (MBO) Performance Report for Fiscal Year 1985-86, I want to share my observations with you.

While the average daily population showed a modest increase (6%), the number of inmate bookings declined by 11% over the previous year from 55,366 to 50,147. This reverses the upward trend in bookings that the department has been experiencing since October, 1983. A comparison of population and bookings show that while there were fewer bookings, inmates spent longer terms in confinement. These statistics are reflective of the change in the Own Recognition (OR) Program and longer sentences being ordered by the judiciary.

The number of releases in error is of concern. At 19, this is up significantly from the nine releases in error reported during the previous fiscal year. It is my understanding that you and your staff are implementing stricter monitoring in this area to ensure that this practice does not continue. However, the number of escapes and suicides has not changed significantly. In 1985-86, there were 3 escapes and one suicide compared to three escapes and two suicides the previous year.

The amount of money collected and paid in restitution to victims of crime was increased by 25% from \$44,107 to \$58,520. The successful completion rate of 80% was achieved for both years.

The Sheriff's Work Alternative (SWAP) and Work Furlough Programs continue to be available for minor offenders. With an average daily population of 120, this certainly is a viable alternative to incarceration. I also want to state my appreciation for the fine contribution this program has given to assist in the graffiti clean-ups throughout the City.



While the number of participants who successfully completed their court obligation through the Work Alternative Program was up from 82% to 87%, the successful completion rate for the Work Furlough Program was down from 87.5% to 80%. The slippage in performance was discussed with your staff and was attributed to the personnel changes that occurred during the year. Please continue to closely monitor the performances of these two programs to ensure that they provide the maximum amount of relief for our over populated jail system.

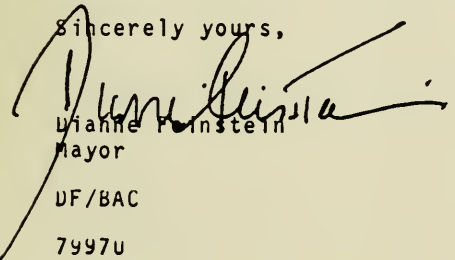
My staff advises me that the data submitted for the Civil Division and Administration Programs was later changed when the accuracy of the numbers were questioned. The importance of submitting accurate and complete performance data cannot be overemphasized.

For the past three years your attention has been directed to the fact that the objective pertaining to completion of evaluations for probationary personnel was not met. Performance for the past fiscal year, however, was greatly improved over that of the prior year with 73% of the evaluations completed, up from 31%. The objective was to complete evaluations for all probationary personnel within 3 days of due date.

In view of your request for 18 new positions in this current year and a projected 23 new positions for 1987-88, I feel it is appropriate to request a full review of deployment of existing staff in your department. This is particularly important since your department has received 21 new positions since Fiscal Year 1983-84.

As you know, until we are able to build a facility to accomodate our ever-increasing population we will continue to be confronted with a number of problems. In the meantime we must all work together to maintain the jail system at the highest possible level.

Sincerely yours,



Dianne Feinstein
Mayor

DF/BAC

7997U



While the number of participants who successfully completed their court obligation through the Work Alternative Program was up from 82% to 87%, the successful completion rate for the Work Furlough Program was down from 87.5% to 80%. The slippage in performance was discussed with your staff and was attributed to the personnel changes that occurred during the year. Please continue to closely monitor the performances of these two programs to ensure that they provide the maximum amount of relief for our over populated jail system.

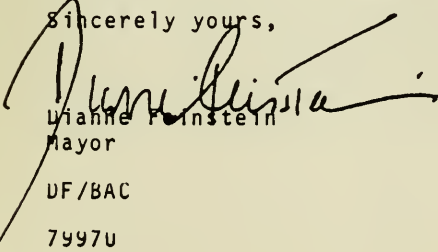
My staff advises me that the data submitted for the Civil Division and Administration Programs was later changed when the accuracy of the numbers were questioned. The importance of submitting accurate and complete performance data cannot be overemphasized.

For the past three years your attention has been directed to the fact that the objective pertaining to completion of evaluations for probationary personnel was not met. Performance for the past fiscal year, however, was greatly improved over that of the prior year with 73% of the evaluations completed, up from 31%. The objective was to complete evaluations for all probationary personnel within 3 days of due date.

In view of your request for 18 new positions in this current year and a projected 23 new positions for 1987-88, I feel it is appropriate to request a full review of deployment of existing staff in your department. This is particularly important since your department has received 21 new positions since Fiscal Year 1983-84.

As you know, until we are able to build a facility to accomodate our ever-increasing population we will continue to be confronted with a number of problems. In the meantime we must all work together to maintain the jail system at the highest possible level.

Sincerely yours,



Lianne Feinstein
Mayor

DF/BAC

7997U



SHERIFF'S OFFICE
INTER-OFFICE CORRESPONDENCE

March 31, 1987

REF: 87-145

TO: Mayor Dianne Feinstein

FROM: Sheriff Michael Hennessey

RE: Annual MBO Performance Review FY 1985-86

Dear Mayor Feinstein,

I recently reviewed the Sheriff's Department Management By Objective (MBO) Performance Report for FY 1985-86 against our first six months of FY 1986-87 and was pleased to note that we appear to be getting back on course again. Specifically, as it pertains to the areas noted in your Performance Review dated December 2, 1986:

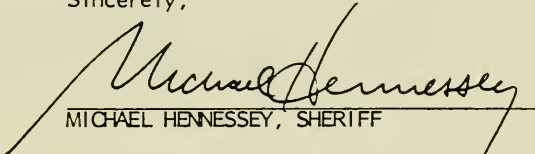
I. Releases in Error:

Releases in error can mainly be attributed to the jail overcrowding problem. The majority of cases involve erroneous releases at County Jail #1, (currently 125% over rated capacity). Although the percentage of these releases is under .001%, I appreciate that the number is unacceptable and can assure you that steps have been taken to reduce this figure significantly. In addition to staffing and procedure development, the newly funded Booking Lieutenant's position will be assigned to Jail #1; major responsibilities will include developing systematic prisoner release procedures.

II. Work Furlough Completion Rate:

A reduction in the successful completion rate for the Work Furlough Program, FY 1986-87, reflected a slippage from 87.5% to 80%. Looking at the first six months of FY 1987-88, the rate has adjusted to 85%. The Sheriff's Department consistently works to maintain high program standards. A manifestation of these standards is often reflected in an increased number of unsuccessful program completions. Nonetheless, my staff is striving to ensure that work furloughes are fully aware of program expectations and behavioral requirements so as to minimize unsuccessful completions.

Sincerely,


MICHAEL HENNESSEY, SHERIFF

MH:nl



February 9, 1987

Mr. George Yamasaki, President
and Members
Social Services Commission
170 Otis Street
San Francisco, CA 94102

RE: FY1985-86 Departmental Management-by-Objectives Performance
Review

Dear Mr. President and Members:

The Department of Social Services Management-by-Objectives performance report for fiscal year 1985-86 has been reviewed by me. Performance exceeded the objective to successfully meet 85% of the department's fiscal and program targets; actual performance was a strong 91%.

However, despite this overall encouraging trend, a number of critical issues remain in key areas:

o Homeless Program

I expect the deficiencies uncovered by the Controller's 1986 financial and 1985 management audits to be addressed and subsequent MBO targets established. A report to me is expected by February 17, 1987. The manual of procedures and a long range plan are expected to be developed on a timely basis.

o Foster Care

I expect that careful consideration will be given to the twelve recommendations submitted by the Mayor's Committee on Foster Care, and that the department will contract for an independent evaluation without hesitation. A response to the Committee should be provided by February 17, 1987. The area of hard-to-place dependent children remains a critical concern to me. I ask the Commission to provide strict oversight in this area. The 16 child welfare staff positions approved by my office should provide desperately needed enhancements to the Family and Children Services Division. Other concerns are listed below under the review of Family and Children Services.



o Food Stamp Program

The difficulties experienced over the past few months have underscored serious programmatic and administrative deficiencies within the department. I ask the Commission to make a full review of the department's MBO structure, goals, objectives and performance targets a top priority. Such a top-to-bottom review is essential given the serious issues raised during the last year and in light of the fact that no major assessment has taken place since MBO performance measurement and reporting began at DSS in FY 80-81. Also, the recent merger of Food Stamps and General Assistance argues for a fresh look at performance expectations. The appointment of Dr. Allen Haile to the Commission should significantly enhance your ability to bring this objective to fruition, given his strong public management and administrative skills.

PROGRAMS MEETING ALL MBO TARGETS

o Congratulations to the staff and managers of the following programs that met all targets:

- Aid to Families with Dependent Children (AFDC)
- A.F.D.C. - WIN (Work Incentive)
- A.F.D.C. - BHI (Boarding Homes and Institutions)
- Refugee Resettlement
- Adult Services
- Medi-Cal
- Information and Referral
- Overpayments and Collections
- Office of Program Evaluation and Support
- Contract Compliance
- Support Services
- Special Investigations Unit (S.I.U.)

o I would especially like to express my appreciation to the staff of the AFDC program. They have met all of their targets since Fiscal Year 1981-82. Congratulations on seven years of high performance!

OTHER PROGRAM ACHIEVEMENTS

o The General Assistance Program, Non-Assistance Food Stamps and Homeless Emergency Services missed more than 2 targets but exceeded other targets. The General Assistance Program exceeded targets established for decisions upheld in fair hearings (95% vs. 80% target), while SSI referrals for GA unemployables were slightly below target (44% vs. a 45% population target). Cross-training of staff on the regulations of General Assistance and Food Stamps and the move to 1440 Harrison in October has positively influenced



performance. Performance in subsequent quarters should show improvement over the FY 1985-86 reports. The program manager should establish measures which reflect the recent program consolidation. In addition, in light of the program merger and rising delivery costs, it is imperative that sufficient quality control staff are dedicated to reporting error rates for the GA program.

- o Performance targets for the Homeless Emergency Shelter Services were established in FY 1984-85. Two of the four targets were met, one was almost achieved and the remaining measure was established for statistical purposes only and does not reflect performance. One hundred percent of the homeless shelter vendors are being reimbursed on a timely basis and collection of rents from 97% of the sheltered families occurred on a timely basis. The missed target was to prepare characteristic profiles of the homeless population on a quarterly basis. This information will assist in planning for this population. Please see that this objective is achieved this fiscal year.

PROGRAMS AND ISSUES OF SPECIAL CONCERN

General Assistance Ordinance

While GA program delivery enhancements are a continuing concern to me, we should be ever mindful of avoiding fiscally wasteful and irresponsible solutions.

Specifically, the latest ordinance proposed by the San Francisco Lawyers' Committee for Urban Affairs contains two features which I vehemently oppose - reducing the presumptive eligibility period from 14 to 3 days and making retroactive cash payments to clients not receiving in-kind assistance.

Both my office and the Budget Analyst have estimated the gross total cost of this proposed ordinance to be approximately \$2 million. With an estimated revenue shortfall of \$20 million projected for the next fiscal year, we must be ever mindful of seeking only the most cost effective program enhancements.

Special Investigations Unit

S.I.U. has significantly improved its performance in the past year. In addition, the unit exceeded its very important target to refer cases to DSS which would lead to the collection of \$180,000 per quarter or \$720,000 per year. The purpose of the measure is to document that the unit is a cost-effective and efficient operation. S.I.U. is attempting to generate funds in excess of the cost of the unit. The cost of the unit in FY 1985-86 was \$608,896. The total funds generated were \$723,416, an amount in excess of the \$587,144 which was generated in FY 1984-85 and over program costs. Income exceeded costs by \$114,520 (\$723,416 vs. \$608,896). Congratulations on this excellent performance!

Homeless Emergency Services Program

Based on the Controller's 1986 Financial and 1985 Management Audits, it is clear that the following strategies must be adhered to in order to enhance the administration and operation of this vital program:

o Short Term Mandatory Strategies

- Follow the Controller's 1986 fiscal recommendations to the letter.
- Conduct a complete audit of all hotel accounts.
- Work with the City Attorney's Office in an effort to negotiate hotel contracts which are clear and unambiguous regarding conditions for remuneration.
- Establish eligibility and identity standards which will assure that persons otherwise able to pay will not get free rooms.

o Long Term Strategies

- I fully expect the Homeless Planning Council to suggest program refinements which if concurred with by the Commission will move us towards breaking the cycle of homelessness in our city by addressing the following:
 - oo Codification of a written homeless policy and procedure manual which will among other things encompass protocol, eligibility requirements, and auditing/fiscal controls.
 - oo Execution of a "permanent plan" which will provide for the contracting out of homeless program delivery to the private sector; establish medical and homeless counseling services to alcoholics, drug abusers, families, youth and AIDS victims; and develop a MOU with the Public Health Department for the referral of the mentally ill.
 - oo Development of job training/placement for the able-bodied; and more aggressive referrals of qualified homeless individuals to other benefit and entitlement programs.
 - oo Coordinated efforts with the Housing Authority and Non-profit Housing Development Corporations to increase the availability of low cost housing for those homeless victims which are graduated into the mainstream.
- Seek the department's cooperation in obtaining vital assistance from the state and federal governments in program delivery.

The cost of the program was \$8,379,494 in FY 1984-85 and increased by \$1,605,766 to \$9,985,260 in one year . Hopefully services can be improved and costs held in check with improved supervision. MBO performance measures should also be established to reflect the efforts of the coordinator in achieving these objectives.

Family and Children Services

The purpose of this program is to provide protective services for children in their homes or in out-of-home placement. The goals of the program include family reunification and permanency planning. Toward that end, the targets set to reflect the provisions of SB 14 should be met on a consistent basis.

The program was able to limit the number of children placed beyond 60 miles to 27, less than the targeted 35 children. The program was also able to provide an initial assessment and service plan for 100% of child protective services within 30 days from referral in each quarter.

On the other hand, only two of the five targets were achieved. While this performance is an improvement over FY 1984-85 when there was only one target met for the entire program, I am concerned that the data is simply not being collected. I feel certain that the work is being done. However, performance must be reported. Since your management information system will be implemented this spring, it should now be possible to do this accurately and on a timely basis. This system is expected to measure performance at the worker level and be reflective of all areas of performance. In addition the new system is expected to incorporate existing performance measures and those submitted by the Commission. The new system should address many of the concerns which I have again expressed.

The caseload in this program has escalated dramatically in the past three years and workers are overburdened with the size of their caseloads. In addition, recent studies by the Mayor's Committee on Foster Care and the State Department of Social Services question the policies, practices and procedures of the program. Each investigative body has requested that specific actions be taken to correct inappropriate program policies, practices and procedures that were discovered when deaths occurring in foster care were reviewed. This remains an absolute top priority!

To assist in the reorganization, the Board of Supervisors and I have approved a supplemental appropriation request, at a cost of \$734,687, which will add 21 positions to the Child Welfare staff.

The Evaluation of the Family and Children's Services Division

- o I trust my concerns regarding the Child Welfare Program are clearly understood. But to assure that there is no confusion, let me clearly enumerate my expectations:
 - My letter to you on August 26, 1986 expressed my desire for the department to comply with the twelve recommendations made by the Mayor's Committee on Foster Care in a timely manner. I expect the department to provide a detailed written response to the Mayor's Committee by February 17 in light of the Commission's request for an extension from the original December 17, 1986 deadline. Please pay particular attention to the recommendation concerning "vertical case management".
 - In regard to the possible conflict of interest in the awarding of the Child Welfare League of America contract, subject to the assessment of the Blue Ribbon Committee, I request the department to provide funding for the contracting of an independent firm to perform a thorough review and evaluation of the Family and Children's Services Division, including its emergency shelter care component.
 - Should any subsequent child deaths occur in the program, notify my office immediately.
- o I expect a periodic status report on your progress in all these areas and that new MBO performance targets be established and tracked this current fiscal year.

INITIATIVES FOR FY 1986-87 AND FY 1987-88

I am aware that the Commission and the General Manager plan to take the following actions in FY 1986-87 and FY 1987-88:

- o Implementation of the G.A.I.N.-Workfare Program (Greater Avenues to Independence Now)
 - The significant impact of this program on the department will be the need to hire an additional 200 - 300 staff persons to implement the employment and training program; these staff would be state-subsentved. Rental of additional space will be required to house the staff. We expect a thorough assessment of the personnel requirements for this program.
- o Providing additional staff to implement an aggressive SSI referral and advocacy program for GA clients.

Honorable George Yamasaki, President
Page Seven
February 9, 1987

- It is estimated that 25% of the current GA client base could qualify for SSI. With dollar-for-dollar reimbursements from the Federal Government, this initiative cost effectiveness could yield recoveries as high as \$3 million.
- o Establishment of performance measures for the city attorney's office to show the significant tasks being performed by that unit.
- o Implementation of the Public Assistance Card
 - The start date for implementation of the Public Assistance Card is July 1988. Public Assistance recipients will be able to charge everything from food purchases to doctor bills. The card will have a magnetic strip and photograph to prevent fraud.
 - The significant impact should be an overall administrative cost saving of millions of dollars as the new system will combine all aid programs under one card.

As the department embarks on the above programs, I ask that MBO performance measures be established to track and monitor progress.

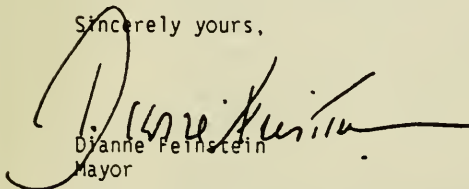
SUMMARY

I expect the Commission to devote serious attention to the specific concerns that I enumerated regarding the Homeless, Foster Care and Food Stamp Programs. The recent problems experienced by the Department cannot be repeated, therefore it is imperative for both the Commission and the Department to take a hard look at restructuring current MBO goals and objectives.

Meeting the challenges that lie ahead will be difficult. I stand ready to lend my full support and cooperation to the Commission, the Department and your Acting General Manager, Rose Randolph.

Thank you for your cooperation.

Sincerely yours,



Dianne Feinstein
Mayor

DF/ED:lb

cc: Rose Randolph, General Manager
Department of Social Services

1122r

174



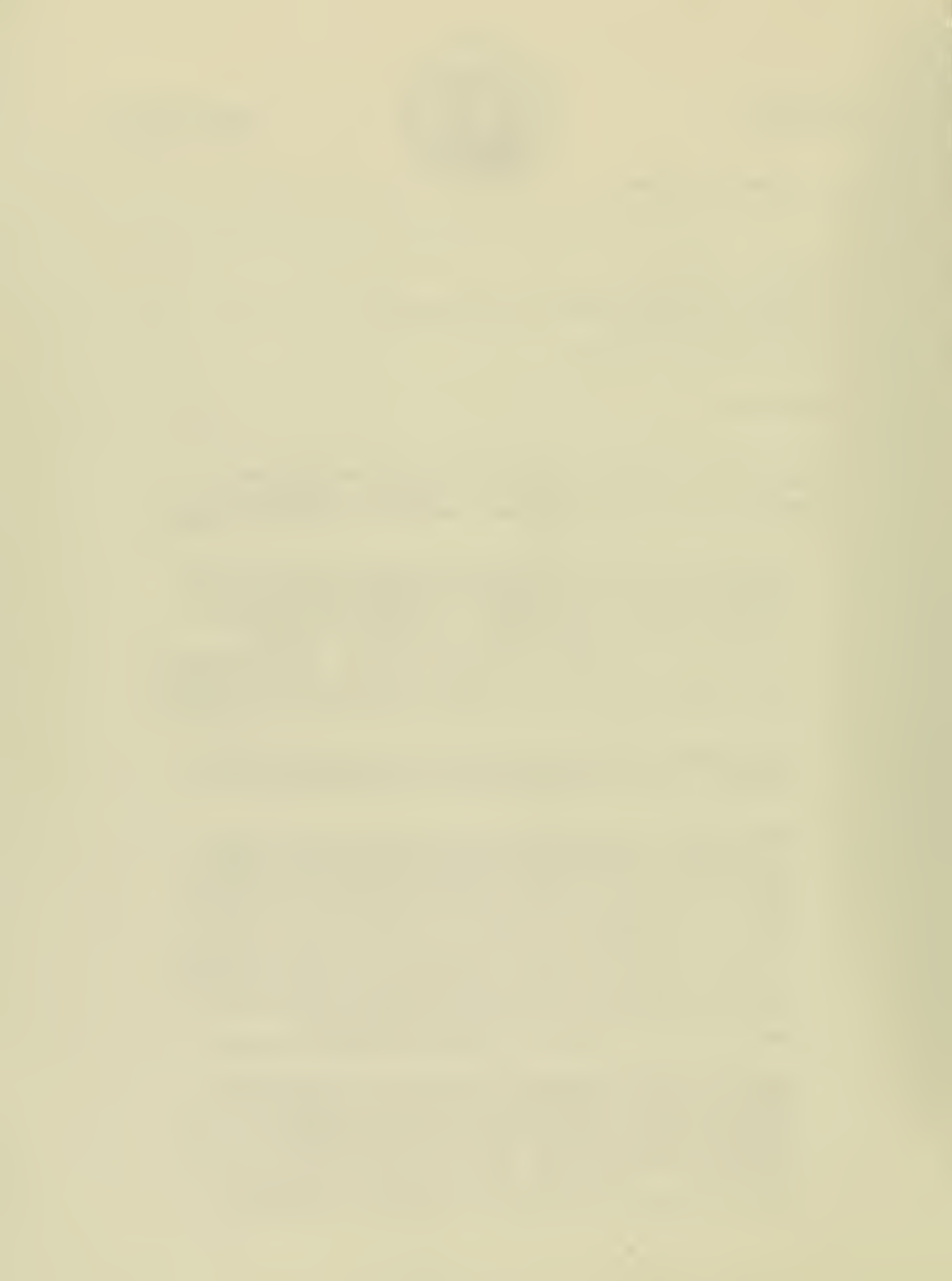
September 29, 1986

Mary I. Callanan
Treasurer, City and County of San Francisco
City Hall Room 110
San Francisco, CA 94102

Dear Mary:

I have just completed my review of MBO performance in the Treasurer-Tax Collector's Office for 1985-86. Performance in almost all areas of the department remains quite good. A summary of performance is given below:

- The Investment Program earned 11.06%, well above the 9.12% earned by the State Local Agency Investment Fund, the yardstick of your performance. This performance beats my suggestion of last year that we establish a target of outperforming the State Fund by at least 1%. Congratulations on not only performance for this past fiscal year, but on the continued high level of performance exhibited by this program over the past years.
- Processing of Property Tax payments continues at excellent levels. Both the December and April collections were processed within three days.
- There was a slight decrease in performance in the Business Tax section, statements being processed in 14 days rather than 11 days, as was done in 1984-85 and slightly below the target of 13 days. I understand that the reason for the longer processing time is due to the need to obtain Social Security and Employer I.D. numbers as required by the State Franchise Tax Board. Given that we now have these numbers on a computer file, please investigate the possibility of using this information as a crosscheck with other computer files (perhaps the Franchise Tax Board or the Board of Equalization) as a way of finding unregistered businesses.
- The Audits Program recovered almost \$4.5 million, almost double the MBO target and collected \$173 per audit hour, well above the target of \$140 and well above the 1984-85 performance level of \$151. The target for 1986-87 should be increased to \$180 so as to represent more of a challenge to the program. This is excellent performance. Please pass on my congratulations and thanks to all the staff involved.



- In last year's letter, I mentioned the problems with meeting the established target for the number of audits performed and for the number of filed calls in the Investigation Section. This problem recurred in 1985-86. In Audits, 1,163 audits were performed, similar to the 1984-85 level of 1,161, but below the established target of 1,260. In Investigations, the number of field calls actually made was 13,590, only 75% of the targeted amount. The major cause of these decreases appear to be the need to provide services to other department programs without an increased budget.

I ask that the department to prepare an analysis which looks at the level of temporary salaries required to staff these other programs during peak periods without resorting to the use of personnel from Investigations and Audits. This analysis should include not only the financial costs and benefits of the use of increased Temporary Salaries, but also a determination of whether or not the type of work performed by the Auditors and Investigators can be performed by temporary employees. Please prepare a report by December 1, 1986 as part of your preparation for the budget process.

- Except for the number of field calls performed, the Investigations Program met all of its established targets for revenue collection. If you are able to use the Social Security and Employer I.D. information from the Business Tax files as the basis of comparison, you should be able to contact a great many more unregistered businesses.
- I was greatly impressed by the performance of the Delinquent Revenue Collections Section. Without an increase in staff, the section was able to handle a 50% greater workload than anticipated. The section collected \$5.2 million, 50% over the target and well above the 1984-85 collection level of \$2.7 million. The amount abandoned as uncollectible was \$3.8 million, below the target of \$4 million, also a good sign.

Congratulations to the Program Manager, Bill Quong, and his staff. They have done a superb job!

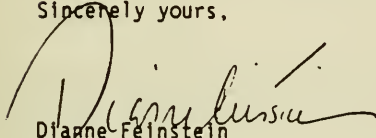
The Legal Unit collected \$1.7 million this past year, well above the target of \$1 million. Because of volatility in this area, I ask that the target be increased to \$1.25 million, acknowledging the 1985-86 level of revenue, but still allowing for the "off years" that seem to come up in this area.

The Licensing Program continues to perform well. The amount of revenue collected was \$170,000 over the target, due in large part to the effort made to collect delinquent accounts in concert with the Health Department and Police Department.

- The Preferential Parking Program continues to operate smoothly. Four new areas were added in the past year with no increase in staff and with no complaints registered in my office. It would appear that once an area has been established, the public accepts it and the complaints drop off. The work done by the departments involved in the program is a major reason that the public accepts the program. Keep up the good work!

In conclusion, I congratulate you and your department on another year of strong performance. I hope the suggestions made in this letter will allow you to increase that performance in 1986-87, resulting in increased revenues for the City.

Sincerely yours,



Dianne Feinstein
Mayor

DF:SN

0202R

cc: Mr. Thad Brown, Tax Collector



November 4, 1986

Mr. Thomas Eugene Horn, President
and Members
War Memorial Board of Trustees
401 Van Ness Avenue, Suite 110
San Francisco, California 94102

Dear Commissioners:

I have just completed a review of the War Memorial Performing Arts Center's 1985-86 Management by Objectives performance report. Your overall MBO performance was very good and you were able to meet or exceed your targets in all but two areas.

<u>PERFORMANCE</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1985-86</u>
<u>Indicator</u>	<u>Actual</u>	<u>Target</u>	<u>Actual</u>
Davies Hall Outside Usage	49	35	31
Herbst Theatre Usage	254	262	264
Green Room Usage	252	234	234
Opera House Usage	415	397	428
% Recovered Lost Items	41%	40%	41%
% Theft Reduction	35%	25%	19%
% Complaint Reductions	28%	15%	16%

- o There were only 31 outside usages of Davies Symphony Hall. The target of 35 was lower than the actual of 1984-85 when the high usage was due to Democratic National Convention activities. You were not that far off from target, and I ask that you maintain a target of 35 outside usages for the current fiscal year.
- o The reduction of theft incidents was 19% instead of the planned 25%. I understand that this was partly due to security positions that could not be filled because of disability leaves and retirement. Nevertheless, the priority is to reduce thefts every year.
- o All other targets were met, but the most significant was the increased usages of the Opera House. The total of 428 was an all time high, reflecting double usages on days when there are open rehearsals and matinees.
- o You were able to reduce complaints by 16% and to recover 41% of lost items. These objectives are important to the goal of increasing patron satisfaction.

25

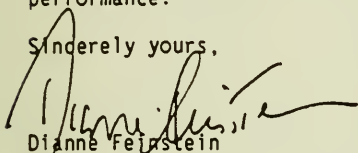
111

Mr. Thomas Eugene Horn, President
Page 2

For 1985-86, total revenues from rentals, concessions and service charges totalled \$1,010,345, a drop of 6.9% from the \$1,085,197 of 1984-85. It is recognized that 1984-85 was an unusual year of more rental opportunities. I am pleased to note that with your earned revenues and Hotel Tax allocation, you were able to fund a facilities maintenance budget of \$567,500 and a total of \$440,000 for capital projects, without requesting General Fund support. This was my suggestion as part of last year's MBO review, and you were able to keep operating costs at a level to enable you to achieve a surplus for the purpose of maintaining and improving your facilities.

Members of your Board and staff are to be congratulated for another successful year. I look forward to the next MBO review and continued growth in your performance.

Sincerely yours,



Dianne Feinstein
Mayor

DF:baz
1027r

cc: Thelma Shelley, Director, War Memorial Performing Arts Center



